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ABSTRACT

This report provides descriptive and evaluative information on the Human Resources Development (HRD) program, which was instituted in North Carolina community colleges to provide remedial education and occupational training to chronically unemployed individuals and to offer advice and assistance for obtaining employment. After an executive summary of the program's successes and limitations, the report introduces a statewide study conducted to examine how the HRD program has affected the community college system and to determine the long-term economic impact of HRD training on participants. Chapter I of the report presents an overview of the study questions and describes the study methodology. Chapter II traces the development of the HRD program from 1968 and highlights the changes in the program since its inception. After chapter III assesses the impact of the program on participants and on the community college system, chapter IV analyzes operational issues that have affected statewide program performance. Chapter V explores the utility of HRD's competitive efficiency index (a measure used to increase allocations to colleges on the basis of decreases in public assistance expenditures) as a measure of program performance, as a means of allocating resources, and as a program management tool. Chapter VI presents recommendations for strengthening the program and assesses its potential for national replication. Appendices include evaluation methodology and results. (Author/HB)

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HRD YESTERDAY AND TODAY

A STATISTICAL AND DESCRIPTIVE STUDY OF THE
HUMAN RESOURCES DEVELOPMENT PROGRAM OPERATED UNDER
THE NORTH CAROLINA DEPARTMENT OF COMMUNITY COLLEGES
FROM 1973-1982

FINAL REPORT

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PREFACE

This study would not have been possible without the active support of the local community colleges and technical institutes and, in particular, the HRD program staffs. HRD staffs invested many hours in tracking down former program participants, setting up interviews with local employers and community officials, and responding to informational requests from MDC.

While this report attempts a comprehensive review of HRD's performance over the years, the real HRD story is told every day through the dedication and concern of the men and women who make HRD work.

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EXECUTIVE SUMMARY

HRD's goal is and always has been... jobs.

The HRD program began in 1968 as an experiment in employment and training. Chronically unemployed individuals were recruited to a job-preparation center, given an eight-week mixture of remedial education and motivational training with a heavy emphasis on job-gaining and job-holding skills, and placed in employment with the advice and assistance of the private sector. Centers in Greensboro, Asheville, and Craven County, North Carolina served as prototypes for the first HRD program within North Carolina's community college system -- at Lenoir Community College in 1970. (Pages 22-45)

* * * * *

"They're going to college -- no matter what you call the program"
Ben Fountain, President, Lenoir Community College, 1970

Since that time, the HRD program has spread to 45 of the state's 58 community colleges and technical institutes; it operates with a current annual appropriation of \$2.6 million. In some respects the program has undergone overall changes of emphasis, and a great variety of difference exists from individual program to program; but the central goal of HRD remains the same. The program has been characterized from the beginning by one-year follow-ups of participants and by a cost-effectiveness evaluation now incorporated into state allocations and called the Efficiency Index (EI). HRD's funding mechanism, in effect, causes individual programs to get more money as they find more unemployed

people better jobs and get public assistance recipients off welfare.

(Pages 46-55)

* * * * *

A statistical and descriptive study.

In the intervening years more than 32,000 persons have enrolled in HRD and more than 21,000 of them have been placed in jobs or in vocational training programs. In 1981, under contract with the North Carolina Department of Community Colleges, MDC, which had been involved in the early development of the HRD program, began a study of HRD designed to look at changes in the program over the years, and to assess program effects on the participants and program impact on the community college system. The study -- "HRD Yesterday and Today" -- involves statistical and descriptive comparisons of annual program results over a five-year period; tracking by questionnaires and interviewing of participants three years out of the program; and a comparison of earnings gains between a group of HRD participants and a group of Comprehensive Employment and Training Act (CETA) participants in a similar motivational program, utilizing Employment Security Commission Unemployment Insurance (UI) tapes. The report contains recommendations to the state-level administration of the community college system and to the local institutions themselves. (Study described, pages 14-21; Recommendations, Chapter VI, pages 167-179)

* * * * *

Program Results:

"I'm doing better, but I'm still poor..."

HRD participant, June 1981

HRD participants have experienced small but increasing average annual earnings gains in the year after participation in the program. The 1976-77 participants averaged earnings in the next year of \$1,752.95; the 1980-81 participants had earnings of \$2,440.76. Earnings gains the year after participation in HRD have increased over the five-year period by 50.5 percent (reduced by a standard deflation factor to 12.1 percent). (Pages 56-59)

Despite those economic improvements, HRD participants are still below the poverty level in earnings a year after participation. The gap has narrowed three years after participation. The group of former participants followed for three years from 1978-79 had average earnings of \$3,476 -- an increase of 98.3 percent over their earnings the year after HRD. They were still below the poverty level for a single individual at that point, but only by \$314. (Pages 59-64)

Compared with a group of Comprehensive Employment and Training Act participants in a similar program in that same year, the HRD group experienced higher earnings gains. The HRD group was more disadvantaged than the CETA group in terms of income prior to training, but had pulled itself up to virtually the same level of income three years afterwards. Estimated CETA costs per job placement were \$2,130, compared with \$1,271 for HRD. (Pages 67-68)

Finally, three years after finishing HRD, over half of those who were employed had been working in the same job for a year and almost

a third had been working on the same job for two years. A total of 86.7 percent had worked at least some of the time. More than half had been in some kind of training after completing HRD. (Pages 64-67)

The group placed in training showed dramatic gains over the group immediately placed in jobs -- when the groups were compared over a three-year period. One year after finishing HRD, the completers placed in training showed an average annual earnings gains of only \$274.60, while the job-placed group showed an average annual earnings gain of \$2,670.67. But three years later the group placed in training had caught up with and passed the group placed immediately in jobs -- its average annual earnings were 15.9 percent higher. (Pages 115-116)

* * * * *

"The EI keeps us honest; it rewards us for doing the best thing at the least cost."

HRD coordinator, March 1981

By most standards applied in the study, the HRD program, itself, has improved over the past five years. It is serving somewhat fewer participants (4,633 in 1980-81, down from 5,418 in 1976-77), but it has improved completion rates and job placement rates. Job placements as a percentage of enrollments -- a generally reliable measurement of program improvement -- have increased by 32.6 percent. (Pages 71-72)

Program costs have come down as earnings gains have gone up. The result is that the Earnings Index (EI) reflects a considerable gain over the five-year period studied. The EI has gone from 1.31 in 1976-77 to 2.25 in 1980-81. (This says that the 1976-77 participants were earning back in increased pay the costs of their training 1.31

times a year, while the 1980-81 participants were earning back in increased pay the costs of their training 2.25 times a year: Nothing in these computations, however, proves that the earnings increases were necessarily the result of the HRD program.) (Pages 72-76)

While the EI shows this considerable improvement, it has been dropping slightly in recent years, proportionately as statewide Unemployment Insurance claims have risen. That suggests, not surprisingly, that an adverse labor market retards the progress HRD participants make after completion. (Pages 76-77)

* * * * *

The program gets people off public assistance... when it can.

In 1980-81 the percentage of participants receiving public assistance (Aid to Families with Dependent Children, food stamps, and Unemployment Insurance) before training was 39.1 percent; after training, 22.4 percent. Receipt of public assistance by families of HRD participants dropped from 49.2 percent to 29.6 percent: from just below one in every two families to below one in every three. Amounts of public assistance received dropped proportionately. (Pages 80-81)

But the AFDC recipients ("Welfare mamas") are the most difficult client group to serve. In 1980-81 the group of 798 people receiving AFDC before HRD training was reduced by 31.8 percent. The EI triples welfare reductions for allocation purposes to encourage programs to enroll public assistance recipients; yet there is evidence that programs

have become wary of enrolling AFDC recipients with several children and have concentrated instead on those with fewer children as more likely to become employed. (Pages 81-87)

* * * * *

Three years later, the participants think well of HRD.

"It really helps... it changed my life."

HRD participant, June 1981

Eighty-two percent of the HRD participants followed up in a mail questionnaire three years after experiencing HRD said that the program was either "excellent" or "good." They ranked it highest for its help to them in "working with others" and "developing good work habits" -- and less high for what it had done to get them jobs. But a fascinating lack of correlation turned up in the in-depth interviews: Participants regarded HRD highly regardless of whether they had gotten jobs. They saw it as a lifetime improvement, with benefits yet to come. Many marked their progress by attainment of a high school equivalency diploma. A total of 24 percent of survey respondents -- almost one in four -- said that they had received their GEDs subsequent to finishing HRD.

Their affection for the experience of HRD is perhaps best expressed by their repeated successful efforts to enroll friends and, particularly, members of their family in the program after having been through themselves. Sons, daughters, mothers, husbands, mothers-in-law have passed through HRD, and many continue to return to the program staff to report successes or ask for continued help in job seeking. (Pages 87-101)

* * * * *

"We've come closer to really having an open door."

Ben Fountain, former president of the community college system

Increases are modest, but there are more racial minority members and women on the faculties of the college system since HRD was introduced and considerably more representation of those two groups in the total full-time enrollment in the schools. Participation of blacks had grown from 21 percent of full-time enrollment in 1971 to 27 percent in 1978. Participation of women had grown from 37 percent to 48 percent in the same period. HRD cannot and does not claim credit for the growth of minority and female participation, but most observers agree that it has helped significantly, perhaps psychologically as much as in actual numbers. (Pages 101-103)

* * * * *

The program has changed, and it has stayed the same...

Over the years, since its inception in the experimental prototype centers in Greensboro, Asheville, and Craven County, the HRD program has changed in many respects. There is less real industrial involvement in it now than there was in the beginning. Where there is a good job development component in the programs, it is usually because the job developer is peculiarly attuned to the employment needs of the community. A subtle change in emphasis toward more training rather than direct job placement has been infused into the program as the labor market has become less favorable. Linkages with skills and academic programs inside the community college system and outside have been

established by the better programs and built upon. Cutbacks in the availability of outside funding -- chiefly CETA money -- have affected the ability of some programs to maintain full staff and have put pressure on present staff to continue to succeed by working harder.

At the same time, the program has continued to serve truly disadvantaged individuals -- the emphasis placed by the EI on those on public assistance has had that intended effect. Stipends have come to be less important in many programs, and the results of this study suggest that non-stipended participants do as well as or better than stipended participants in earnings gains a year later -- and with far less cost to the programs. (Pages 104-150)

* * * * *

What could be done to make the HRD program better?

While the program has changed in many ways, the economic climate in which the program operates has changed even more over the years since HRD entered the community college system. Most importantly, general economic conditions for job placement have worsened relatively, and there are indications that it may be some time before the labor market in North Carolina is as favorable for job seekers as it was in 1970, when the Lenoir experiment took place.

This is particularly true for essentially untrained job seekers. The gradual sophistication of the state's job market has worked increasingly to the disadvantage of an individual without a high school diploma and, more importantly, without a competitive skill in demand

today. Interestingly, at a time when training for employment would appear to be more important than in the past, the CETA programs which afforded the bulk of that training are in the process of being dismantled.

That suggests that the HRD program needs to make further changes. This study concludes with a chapter containing recommendations to the administration of the community college system, to community college presidents and their top staff, and to HRD staff in participating institutions. Among the major recommendations are:

- That skills and vocational training be made a more important goal for HRD completers, and that the EI be changed to provide incentive for that linkage.
- That some incentive (presently not the case) be given to program operators through the EI for placing HRD completers in academic courses in the community college system leading to the GED or other ends.
- That the allocation formula be changed to assign EI results a greater weight in determining annually how much money each participating institution receives to operate its HRD program.
- That HRD be more fully integrated into community college programming through improved linkages with other ongoing college activities.

(For a full list of recommendations, see pages 167-179)

INTRODUCTION

The Human Resources Development (HRD) Program sponsored by the North Carolina Department of Community colleges provides prevocational training, counseling, and job placement assistance for structurally unemployed and underemployed adults. In 1981-82, the program will operate in 45 of the state's 58 community colleges and technical institutes with a state appropriation of \$2,636,937.

HRD was designed and tested over a five-year period beginning in 1968. Its first operational site in North Carolina was in Greensboro, where local businessmen and MDC, a newly constituted private nonprofit research and demonstration corporation, collaborated on program design. Two years later, development and testing were taken over by the community college system. In 1973, the General Assembly of North Carolina appropriated \$1,475,000 to institutionalize the HRD program in the community college system. At various times since then, 52 different institutions have operated HRD programs. More than 32,000 persons have enrolled in the program, and more than 21,000 of those have been placed in jobs or vocational training programs.

Officials of the Department of Community Colleges believe HRD is the only public education program in the United States for which continued funding is based on the economic performance of graduates. In all likelihood, HRD is the only statewide social program of any kind which ties cost-effectiveness evaluation to fiscal resource allocation. Each year, one-third of the statewide HRD appropriation is allocated to participating schools on the basis of the degree to which the post-training economic performance of participants

is better than their pre-training performance. Economic performance is measured by a composite efficiency index which factors in costs, earnings gains, and public assistance reductions. Those computations are facilitated by the program's unusually long follow-up period of 12 months.

Before 1976, the HRD program operated without a formal locus of coordination at the state level. The entire state HRD appropriation was (and, in fact, still is) divided among sponsoring local institutions, with no set-aside for state-level administration. In 1976, the Department of Community Colleges appointed a statewide coordinator for HRD and, shortly thereafter, added a support position to the new state HRD office. During its five-year history, the state office has been occupied with activities designed to improve inter-program communications, increase local staff capabilities, and prepare annual performance summaries of statewide program activities.

While the Department had long recognized the need to conduct a comprehensive evaluation of HRD, limited staff and fiscal resources had prevented such an undertaking. In 1980, however, the Department secured a grant from the North Carolina Comprehensive Employment and Training Act (CETA) prime sponsor which enabled it to conduct an assessment of the HRD program. Since CETA support for HRD in the form of stipends and administrative funds approximated \$8 million since 1975, and because of renewed interest in welfare reform at both the state and national levels, the assessment promised to be of value both to the state CETA prime sponsor and to the Department of Community Colleges.

After conducting a competitive bidding process, the Department of Community Colleges subcontracted with MDC in January of 1981 to conduct the statewide assessment. Early on, both the Department and MDC gave some thought to MDC's previous association with the HRD program and how it might affect the study. Department officials judged that MDC would bring to the study a unique understanding of the legislative and developmental history of the program. MDC, having been away from HRD program operations for more than a decade, believed that, if anything, it would be a stricter judge of the program than other potential evaluators because of its high expectations for the program from years ago.

This report presents the findings of MDC's study of the HRD program conducted during 1981. The study was designed (1) to examine how and in what ways the HRD program has affected the community college system; and (2) to determine the long-term economic impact of HRD training on participants.

Chapter I of the report provides an overview of the major study questions and describes the methodology used in conducting the study. Chapter II traces the development of the HRD program from 1968 and highlights the changes that have occurred in the program since its inception. The third chapter assesses the impact of the HRD program on participants and on the community college system. Chapter IV analyzes operational issues which have affected statewide program performance. The fifth chapter explores the utility of HRD's competitive efficiency index as a measure of program performance, as a

means of allocating resources, and as a tool for program management.

The final chapter presents recommendations on means of strengthening the HRD program and assesses the potential of the program for replication as part of the national effort to move welfare clients into the workplace.

I. STUDY DESIGN

It is rare for an educational or employment and training program to have compiled the wealth of participant data that the HRD program has produced. Each year, DCC stores away thousands of bits of demographic and economic information collected from the entrance and exit interviews and from the 3-month, 6-month, and 12-month follow-up reports that are completed for each HRD participant. Even more data are available at the individual schools which operate HRD programs. Those data promised to provide an excellent base for MDC's assessment of the HRD program. Yet our experience in looking at other employment and training programs across the country made us wary of assessing HRD through statistical analyses alone. Much can be lost or overlooked in the process of reducing living people and their experiences to numbers. So we set out to design a study that would enrich HRD's already comprehensive data bank with the perceptions and assessments of persons who have had firsthand experience with HRD -- local community college and program administrators, staff from cooperating community agencies, employers who have hired program graduates, and -- perhaps the most insightful group of all -- former program participants.

The study was organized to answer four major questions posed in DCC's broad charge to MDC to assess HRD's impact on the community college system and on program participants.

1. What can the participating institutions and the community college system in North Carolina learn from the history and current operation of the HRD program that will help the system better meet the needs of its clientele?

2. What can be learned about the program as a whole that would be useful to other programs in various settings in the state and elsewhere in the country?
3. What can be learned about the strengths and weaknesses of the competitive efficiency funding system used to determine allocations for the HRD program?
4. What can be learned from available data and through further follow-up efforts about the impact of the HRD program on the lives of its participants?

Since the purpose of the study was to assess statewide impacts, evaluation of individual HRD programs was not attempted. Case studies were developed, however, for approximately one-third of the operating programs as one means of drawing conclusions about system-wide strengths and weaknesses.

MDC used a three-month planning period to develop the study design. During that period, local program and institutional personnel were asked to suggest areas for investigation and to recommend components of a research methodology. Meetings were held with the HRD Advisory Committee in February and June to discuss research strategies. During March, six regional meetings of the local HRD coordinators were convened to solicit their ideas about the study. Those all-day meetings set the stage for the field work phase of the study by providing MDC with preliminary information on the variety of approaches to HRD taken by participating institutions.

One of the major issues which needed to be resolved during the planning phase was that of how the long-term economic impact on participants would be assessed. A five-year follow-up scheme was discussed, but a three-year period was chosen, largely because the local coordinators did not believe that five-year-old participant location data would yield enough former enrollees to constitute

a valid follow-up sample. MDC also decided to attempt to use Unemployment Insurance (UI) data to track and compare the employment status of a sample of former HRD participants and of a sample of former enrollees in another training program.¹

From that point on, the study proceeded along two main tracks. On one, MDC engaged in a variety of activities directed at examining the HRD program itself -- how the program had developed over the years, what strengths and weaknesses it seemed to have, how HRD had worked into the scheme of community college and local employment and training efforts, and the like. On the second track, MDC implemented a three-part follow-up study for determining the long-term impact of HRD training on program participants.

First-track activities for studying the program as a whole included the following:

1. A review of HRD program files. From that review, MDC was able to start its own files on individual HRD programs. DCC records provided information on the curriculum and major innovations of each program.
2. A literature search and historical review of HRD. During February and March, MDC reviewed program records and newspaper accounts from the late 1960s and early 1970s describing the developmental stages

¹For a detailed discussion of the UI methodology, see Unemployment Insurance Data: A Study of Their Utility for Follow-up of CETA Participants in Balance-of-State North Carolina; MDC, Inc., November 1980.

of the HRD program. During the same period, interviews with 24 persons involved with the development and testing of the HRD model were conducted. Those activities provided insights into the original design and intent of the program.

3. Distribution of a program data worksheet and worksheet addendum. A 5-page worksheet and a 2-page worksheet addendum were distributed to each HRD coordinator for completion and return to MDC. The worksheet forms asked for program-specific information on eligibility criteria, funding, staffing, linkages with other agencies, targeting, and service components.

4. Telephone survey of institutions without HRD programs. Six institutions in the community college system have never offered HRD programs, and seven others once had HRD programs but have discontinued them. In May the presidents and deans of ten¹ of those institutions were interviewed by telephone to discover why HRD was not part of their current programming.

5. Field visits to 19 community colleges and technical institutes. One- to three-day site visits were made to 19 institutions between April and September. The schools selected constituted a cross section of all participating institutions in terms of geographic location, program size, program design, and EI performance. At each site, attempts were made to interview institutional administrators, program staff, staff from cooperating community agencies, employers, and former participants.

¹ Beaufort County Community College; Brunswick Technical College; Carteret Technical College; Central Carolina Technical College; Coastal Carolina Community College; College of the Albemarle; Durham Technical Institute; Forsyth Technical Institute; Mitchell Community College; Wake Technical College.

Seventeen of the schools were operating HRD programs; one school was on the waiting list to begin a program, and one had recently dropped the program.¹ Visits to the latter two schools produced added insights into issues raised through the telephone survey.

6. Analysis of performance summaries and participant records data. HRD annual performance summaries from 1975-76 to 1980-81 were used as source documents for information on funding, earnings gains and public assistance reductions, performance ratings, and related data. DCC participant records for performance years 1976-77, 1978-79 and 1980-81 were used to assess and compare the short-term impact of HRD training on participants in those years.

It was expected that the two-year intervals in the performance-year data would provide a good picture of trends developing in HRD performance. As it turned out, however, the 1978-79 performance year was atypical: Unemployment rates were unusually low, and HRD placements were unusually high; enrollment of the economically disadvantaged (as measured by public assistance participation) also declined significantly. As a result, data for all three performance years are included in the tables of the report, but the narrative focuses on comparisons between 1976-77 and 1980-81.

The long-term impact study involved three major activities.

¹ Caldwell Community College and Technical Institute; Central Piedmont Community College; Davidson County Community College; Edgecombe Technical College; Fayetteville Technical Institute; Gaston College; Guilford Technical Institute; Haywood Technical College; Johnston Technical Institute; Lenoir Community College; Mayland Technical College; Nash Technical Institute; Pitt Community College; Rockingham Community College; Stanly Technical College; Tri-County Community College; Wayne Community College; Catawba Valley Technical College (HRD waiting list); Sampson Technical College (formerly offered HRD).

1. A computerized search of UI wage record files. The Social Security numbers for a random 20 percent sample of 1978 HRD participants were used to access UI records of 1980 and first-quarter 1981 wage and occupation data. Social Security numbers for a matched sample of 1978 CETA ABE participants were also used so that a comparison of recent work records for the two groups of trainees could be made.

2. A survey of former HRD participants. The random sample of 1978 HRD participants produced 1,025 names which could be matched with addresses from local program records. In May, a four-page survey was mailed to each of the participants in the sample. The survey asked for information on current and past employment, earnings, and vocational training experiences, and also for a retrospective personal assessment of the value of HRD training. A return rate of forty-three percent was eventually achieved after two mailings and a limited amount of home visiting.

3. Participant interviews. Sixty-one of the participants included in the random sample of 1978 HRD trainees were interviewed during field visits to active HRD programs. Interviews ran from 15 to 30 minutes in length and focused on assessments of how HRD training had influenced the employment and career development histories of the participants.

As a result of these activities, a mass of objective and subjective data was collected. Over 10,000 participant records were analyzed, and more than 300 persons associated with the program were interviewed. Those included the presidents of 28 community colleges and technical institutes, 44 other school administrators, 47 program coordinators, 45 other program staff members, 49 staff members from cooperating community

agencies, 24 employers, 61 former participants, 3 state CETA representatives, and 15 others associated with HRD during its developmental years.

The chapters that follow attempt to combine the most reliable of the objective and subjective data to give as true a picture of HRD's progress and potential as possible. Tabular material has been dispersed throughout the text to support the conclusions drawn by the narrative. The reader is invited to draw his own conclusions from those tables but is cautioned about one type of data that has been provided. In a number of tables, pre-program or post-program data on earnings or public assistance are presented. Whenever comparisons of those data have been made across different years, the most recent year's data have been shown in both current dollars and deflated dollars. In some instances, the use of the deflated dollar figures provides a more accurate picture of the economic gains or losses realized over a number of years.

Two formulae were used in calculating the deflated dollar figures: One based on the GNP, and one based on the CPI. It is debatable which formula is more suitable for a study of this nature. CPI, for example, takes into account interest rates on housing, but makes the somewhat dubious assumption that each family is financing its home at current interest rates. The GNP, on the other hand, tends to adjust for that exaggeration in the CPI and thus produces the more conservative deflation formula. While the tables present both GNP- and CPI-converted dollar values, the text uses only the more conservative GNP values.

Details concerning the methodology used for the long-term follow-up along with samples of interview guides, field visit guides, worksheet forms, and the participant survey may be found in Appendix A. Appendix B presents additional tabular material which was analyzed but not addressed in the text.

II. HRD YESTERDAY AND TODAY

Cameo -- April 1968 -- "College it ain't..."

It looked a little like a storefront church or a converted wholesale outlet, that first Manpower Training Center in Greensboro. Anything but a school. "That's the last thing you want to remind them of -- school," said the center director, an old hand at the relatively new business of Human Resources Development (HRD). "School is where they failed."

And the center was not a school, after all. It was a training center, a place where people who were chronically unemployed or under-employed came to get the confidence and know-how to find a job, stick with it, make good. In eight weeks something called HRD was supposed to help them do that. In the bargain, it might raise their reading level one or two grades. But that was all. There was no real thought of study of any kind ahead. "College it ain't," said the director.

Curriculum was the name given to something borrowed, tinkered with, fitted to the needs of the participants on the spot. What was taught was invented, if not anew each day, often enough. Life skills were taught, simple coping. Job marketing skills; filling out resumes, interviewing for the job, and then simply showing up instead of going fishing when the urge came. Staff members were practiced trainers, neither accredited teachers nor academic counselors. A good part of every day was spent in group interaction, in what the director called confidence-cramming.

Everybody works into a videotape. Then everybody listens and watches as the tape is played back. Giggles the first few days, but that passes as self-consciousness gives way to personal involvement. A slender, pale white man is talking on the screen. The group is looking at his image on the TV

monitor quietly. He is looking too, picking his nails, listening. He smiles nervously and faintly as his voice, quavering at first, begins to gain strength. "I am a poor man. I haven't been able to hold a job. I'm not educated and that's part of it. But just a part... A lot of it is me, the way I am. Can I change? I don't know..."

For all of its importance, the curriculum was not supposed to carry the day for employment after graduation. The confidence-cramming and the work-ethic materials and the basic education taught by machines at the participant's own pace were only the beginning. The key link in the program was thought to be the advisory council of Greensboro businessmen who held meetings at the center, learned about its operation, met and talked with the participants, and carried word back to others in the business world. The word was counted on. Successful job-holders were counted on.

The speaker is a black woman interviewed on the job in a pharmaceutical plant in Greensboro. "I used to work in a school cafeteria. I'd been there for two years and never had a raise. I quit. I heard about the Manpower Center from a friend. A month after I finished classes there the center folks got me this job. The most I got from the center was building up my confidence in myself. Big companies had turned me down and built a fear up in me. At the center I learned how to fill out my income tax and how to check the dates and grades of meats and eggs at the store. But mostly I got to understand how important I am to my job. I've already gotten a raise here. I don't know whether I would have had the self-confidence to come out here and ask for a job if it hadn't been for the Manpower Center."

Her boss is speaking, later that day: "We have hired five women from the center. They're here every day. And they're all well-groomed, courteous and hard-working employees. The training at the Manpower Center is a real asset to this community..."

Well-groomed, courteous, hard-working. This was not the image of the poor held by the average employer in a southern city in 1968. "Anyone with an ounce of initiative and a minimum of education has no

problem finding steady employment in Greensboro," read an early report circulated by the advisory council. "This program is designed to prepare the hard-core, hard-to-reach poor for similar employment."

Sometimes the program's outreach exceeded its ability to assimilate. Drug and alcohol problems put some participants beyond the program's reach. There were washouts. The center's early staff spent an uncommon amount of time counseling. Family problems, personal problems.

A veteran of those days is reminiscing. "We bailed them out of jail, rushed some to hospitals, settled fights, changed tires, helped get child support payments paid. You name the problem and those folks had it. We thought it was a crime, something like that, if we couldn't solve those problems. Sometimes we worked around the clock..."

There was a strong sense of the need for self-help. If the participant could get a feeling for the possibility of helping himself or herself, he or she would be alright, good things would follow. If a participant had come up that hard way, it was thought, he or she could help others. One of the center's success stories was a shy, quiet woman who went through training and, later on, became an HRD instructor and counselor.

The economy worked in the center's favor. Unemployment was below 3 percent and industries were looking for new workers. They were beginning to hire minority members, but they believed those people needed training to help them prepare for roles as productive workers.

And the center's single, unwavering goal was employment: Entry-level employment, a modest start up the ladder. If a good job could be had, fine; but even an entry-level job was better than none. Now

and then a GED was earned at the center, but it was considered incidental. Even the basic education component was viewed more as a motivator, as something that would allow the participants to experience a breath of success in a learning setting, than as an exercise of intrinsic academic value.

While the program began with a fair balance of whites, blacks, and Indians, by the fourth cycle the student body was almost 90 percent black. Daytime classes tended to be dominated by women, while evening classes enrolled more men. But it was always difficult to recruit men for the program.

Recruitment was a full-time, 24-hour operation for one hardy soul. He had to be comfortable in the pool halls and church meetings. He had to have a ready line for the streetwise and a responsible manner for those who were poor in education and circumstance but conservative in social outlook. Most of all, he had to be able, in just a few minutes' conversation, to touch that chord within an individual that resonated hope: Maybe I can do it; maybe I've got a chance.

"The first outreach worker was Jesus," says the outreach worker for HRD in Greensboro. "None of us have been that good since but you've got to believe. Then you've got to get the other person to believe."

The Greensboro program did a lot of hand-holding with its participants. It worked hard to keep as many as possible in the program all the way through the eight-week cycle and to bring them all out together. The idea was that in the solidarity of their numbers there was faith. Some few left the program to take jobs while the others in the cycle continued their course of study, but that was discouraged. Some others simply dropped out, did not show up one day, and that was accepted as

a painful fact of life. The majority made it through to graduation day.

It is a warm spring night. There is punch and cake, no booze. The graduating class is scrubbed and beaming. It is a big moment. If it is not college, the scrolls being handed out one by one as the line makes its way up to the platform look very much like diplomas. "When I get mine," a reporter hears one say to another, "I'm going to say -- Amen."

Cameo -- April 1970 -- "What I've always wanted to do..."

It is a long jump from a storefront on a Greensboro side street to a community college. When the HRD program moved to Lenoir Community College in Kinston for a year's trial with the blessings of Governor Robert Scott, there were doubts at every level of the administration.

"We were interested, but skeptical at first," says Ben Fountain, president of Lenoir at that time. "It wasn't so much the program that MDC had in mind as it was the fact that someone from the outside was going to come in and tell us that we weren't doing our jobs."

It was culture shock for the college. President Fountain put the HRD program smack in the middle of the main classroom building and let everyone work to become accustomed to the new breed of "students" who showed up on the campus. The curriculum was the same used in Greensboro and in MDC's other experimental centers in Asheville and Craven County. But HRD's move into the community college was creating subtle changes even in the early going.

One of them was related to the personality and skills of a key individual in the Lenoir program, Payne Terry, the job developer.

He is a round man with a ruddy moon-face and a smiling, affable manner. A retired executive from a major corporation (Dupont) in Kinston, he is on a first-name basis with the heads of major industry in the city. A telephone call will get him in any door, and with him the HRD graduate he wants to place.

"It helps a lot," he says. "All this is new, this program. Businessmen around here are conditioned to think that poor people, black people, can't do. We're trying to condition them to believe that they can do... Some of our participants have a hard time... but some are ready to be placed and have a job developed for them before they are finished with the course. For example, we had one girl, mother of six children, who never did anything but tobacco. She was bright but never had the opportunity to work at anything else. We coached her on test taking. She passed the Dupont test and is now earning more than she ever did..."

With a job developer whose ties were so close to industry, the importance of an industrial advisory council was downgraded. Terry's presence meant that the program automatically had the kind of industry acceptance it needed. The council did not seem to be needed. The college already had business advisory groups for its skill training tracks and it was, after all, a college and not a training center.

It took a while for the HRD program to be accepted by the faculty. There was, first of all, the matter of the stipends paid to participants to attend. Some faculty and others shared the old Greensboro advisory council's doubts about the wisdom of "paying people to be prepared for jobs." Dr. Fountain supported the stipends vigorously, and put his argument in academic terms. The stipends were scholarships, he said, and asked: How can you support scholarships to learn Greek but not to learn to read and write?

The argument was not without its force and it did not go unheard. Faculty members who at first looked with skepticism on the program began to take an interest in the new students and to learn the exotic language of the Manpower Development and Training Act (MDTA), which paid stipends to the HRD students. One faculty member was so excited about HRD that he volunteered his own time to help teach the English component.

Some of the participants began to take full advantage of the opportunities supplied by the new setting in which HRD was being conducted.

Like most HRD graduates, she looks you in the eye when she says she is a high school dropout. HRD works a little like Alcoholics Anonymous: The first big step is to admit you have a problem; after that, one can work to overcome it. She says being a dropout qualified her for work at a shirt label factory and as a waitress when she was able to find work at all. She read in the newspaper that Lenoir Community College was offering a program that could help her get a good job. "She did particularly well in adult basic education," her instructor says. "And she's highly motivated now, you'd be safe to say that." She dropped out of the HRD program at the sixth week but for a good reason. She wanted to get into a New Careers program. Now she is continuing her education at the college in the afternoons and working mornings in a New Careers program at La Grange. "I'm doing exactly what I've always wanted to do. I'm working with children who have reading problems."

The Lenoir program already was becoming different from the earlier training center prototypes. The college's visibility made it easier to recruit for the program and the emphasis on street-corner recruiting dimmed. Personal problems seemed to be fewer, possibly the result of more selectivity in recruiting, but also possibly because of the change from street to campus atmosphere. There was less emphasis on keeping each HRD cycle as intact as possible, since opportunities for further training came up from time to time inside the college and the better-qualified HRD participants could take advantage of those opportunities or of Terry's ability to place them in a good job.

Fountain captured the essence of the change in a talk with a reporter a bit later. "I don't care what you want to call the program or our people in the program, the fact remains that they are going to college -- no matter what!"

Cameo -- April 1981 -- "I didn't think I could ever go back to school."

In the HRD office of the Washington Street campus of Guilford Technical Institute in downtown Greensboro, a motto is penned on a painting: "Something Of Ourselves Remains Wherever We Have Been." It seems particularly apt for a program that thinks of itself as continuing to exert an effect on its participants long after its cycles of training and graduation have finished.

And during a day in that office, the phone will ring a half-dozen times signaling messages from former students. A few will drop in, announced or unannounced, usually with a problem with which they need help. Now and then with good news.

She could not remember how she heard about HRD, but she went through the program five years ago and has maintained warm and fruitful relations with the staff. She also has done her share of job-hopping, not always to her profit. With three school-aged children, she had to face the fact that she could not help them with their homework. "I didn't think I could ever go back to school," she says, but she did. And 15 years after dropping out of high school, she has earned her GED. That is the good news she is reporting today. Now her sights are set on a cosmetology course at Guilford Tech. She has to wait until an opening comes along, but she is ready now. "Beauticians get paid good," she says.

In many ways she is typical of today's HRD student. She is on welfare and wants to get off. With penalties in income staring her in the face unless she can get a sufficiently high-paying job, the welfare dependency has been hard to kick. Somehow, in the process, she has never lost faith in education. She may place a higher value on a GED than that assigned to it by her future employer, but he does not know how much confidence that GED gave her.

The movement to GED or some other high school graduation equivalency on the part of the HRD program over the past ten years has been

dramatic, a major change from the old training center programs. At Guilford Tech, HRD Coordinator Dorinda Gilliam estimates that 20 percent of the average class earn GEDs during or just after completion of the program; by the end of the first year out of the program, the percentage has risen to 50 percent. "We work with them afterwards," she says. "If they can just pass one of the tests, they're all set. They get the confidence and go on to pass the others."

Those statistics are well above average even with the new GED emphasis of today's programs. Guilford is not typical in this sense, but its HRD program does seem to illustrate trends since the days of the Greensboro Center and the Lenoir experiment. Further education and training after HRD are part of the effort to seek the highest level of development possible for the participant. Ms. Gilliam says that perhaps as many as half of the Guilford participants go on to other instructional work at GTI -- high school courses, typing, auto mechanics, nursing, shorthand, stenographic work, even fine arts. "And I'd say that maybe 20 percent of our people have college potential," she says. "Today, they need to be better educated and better trained."

At the same time, jobs are the product of HRD as they always have been. There is not much hand-holding nowadays in preparation for that first job interview. "We may give them leads, but they do the work of finding a job on their own," Ms. Gilliam says. "We try to build those skills into the HRD program itself. And 70 percent of those who find jobs do so on their own."

Another measure of lessened dependence may be the reduction in total stipends paid. At Guilford Tech, the stipend programs are usually

linked to federally funded CETA programs like one designed to teach English as a second language to southeast Asian migrants to Greensboro. Otherwise, HRD does not use stipends in Greensboro, and the use of stipends has declined throughout the system.

Has the reduced stipend use and the increased emphasis on education beyond HRD resulted in bringing in a better-qualified group of participants -- in effect, excluding some who are not so well qualified? With no stipend inducement to enter, the HRD program at Guilford still has a waiting list for entrance. "We try to take everyone," Ms. Gilliam says. "We don't like to turn anyone down. But sometimes they have to wait." And recruitment? "Largely word-of-mouth."

* * * * *

From a storefront, off-the-street program to a multimillion-dollar-a-year state-funded offering in 45 of the state's 58 technical institutes and community colleges -- HRD has come a long way. The cameo impressions above, spanning the 13 years of the program's existence, can only mirror the surface of change. A more detailed analysis is necessary to come to grips with the issue of how much of this change reflects, consciously or unconsciously, changes in program goals, and with the larger policy issues of what HRD looks like in 1982.

At the time of the opening of the Greensboro Center, the climate for social change around the country had been established. With the economy humming, it was possible for President Lyndon B. Johnson to speak of The Great Society, where poverty and disease would be abolished

and productive work would be there for all. The North Carolina Fund, one of the nation's earliest anti-poverty efforts, had scarcely less ambitious goals which it pursued through an assortment of short- and long-term strategies. Under one strategy, the Fund set out to establish and nurture several organizations to serve on specific fronts in the general war on poverty.

One of those organizations was the North Carolina Manpower Development Corporation (in recent years known as MDC). With funding and advice from the Ford Foundation, the National Association of Manufacturers, the Office of Economic Opportunity, and the Department of Labor, MDC was chartered in 1967 as a private, nonprofit corporation to conduct research and operate demonstration programs to fill the gaps in the employment and training system in North Carolina. But North Carolina was not to be the sole beneficiary of that work: MDC's assignment was the development of a statewide model of collaborative employment and training services, suitable for replication in the other states.

North Carolina was attempting to adapt to changing social and economic realities; at the same time, it was experiencing the difficulties then being encountered nationally with a new work force. It seemed that everywhere industry and business had begun to run out of a supply of well-educated, motivated workers.

At a time when the job market was generally tight -- with unemployment low and expanding industry crying out for new workers -- the workers who responded were of a new breed. As a state moving from an agricultural to an industrial base at a rate even greater than the

national norm, North Carolina illustrated the national problems of employment and training vividly.

The workers coming to the city in North Carolina were often the rural poor, displaced farmhands poorly prepared for the discipline of urban worklife. They needed to learn how to use the buses, how to count their money, how to shop, how to bank, how to groom and present themselves. Most important: They needed to learn the importance of fitting a daily work schedule to the timekeeping demands of a factory or office shift.

The problem they represented was seen as part of the solution to another, more unyielding problem. The poor, agricultural counties from which they had come could no longer support a large reservoir of unskilled labor. With little work available on the farms, the poor, heavily minority population of those counties had been migrating to crowded northeastern cities -- Baltimore, Philadelphia, and New York -- where, far too often, they found nothing but welfare dependency at the end of the line. To counteract that trend in North Carolina, the North Carolina Fund had initiated a program called Mobility (funded by the United States Department of Labor), which moved workers from job-short rural areas to North Carolina cities -- Greensboro, Charlotte, Winston-Salem -- in the Piedmont, where jobs much closer to home were available.

In Greensboro, typically, Mobility clients would be moved in from a farm, sheltered, acclimated to city ways. A home would be found for them and, if possible, a job. For all of the program's success, it was apparent that those raw country folk needed something more to

succeed. They needed to have confidence in themselves; they needed to feel able to cope with life in a new and intimidating setting.

When MDC came into being, it chose Greensboro as a site to continue early experimentation with HRD being done in South Carolina by the United States Research and Development Corporation of New York. After subcontracting three cycles of HRD to the New York firm, MDC took over operation of the center, refined the curriculum, and selected new staff.

HRD as a program did not simply appear out of pure experimentation. It was seen as an answer to growing dissatisfaction with traditional employment and training programs as typically operated under the Manpower Development and Training Act of 1964 (MDTA). That training was in specific skills, with stipends provided to participants while in training, often for a period of several months or even a year. The complaint was heard frequently that those MDTA skills training programs were created absent the advice and guidance of the private sector. As a result, it was argued, they too often trained people for jobs that did not exist, or at least could not be found where the people lived.

Possibly in part as a result of dissatisfaction with training of that sort, but certainly as well reflecting its own felt needs, industry began to call for work-preparation training in place of skills training. "Send us workers who will get to work on time every day" -- so the cry went up from industry -- "and we'll train them here on the job."

The growing concern with involvement of industry in job-training from the first day cannot be overestimated in any account of how HRD took root in the Greensboro Center. The local employers' association -- Piedmont Associated Industries -- played a key role in establishing

the business advisory council. That council at the program level was a reflection of the involvement on MDC's board of directors of representatives from business and industry as well as education. Those businessmen were interested in short-term training for workers whom they could hire with a minimum of red tape or government involvement.

The Greensboro advisory council put its seal of approval on the curriculum at the Manpower Development Center -- three hours a day of basic literacy training and three hours a day of what came to be called the HRD component, motivational and attitudinal job-related group work. Five days a week for eight weeks, and then a full-fledged graduation. The council was less thrilled with the MDTA stipends averaging between \$20 and \$40 a week, feeling that paying stipends might attract less motivated participants, but MDC staff believed the stipends were necessary at that time to bring into the center those most in need.

Classes were kept small for purposes of group work, averaging around 15 individuals. That way, in a year, allowing time for recruiting and job placement, the center could graduate five cycles -- approximately 75 graduates, minus those who dropped out and a few who were placed on jobs before the end of their cycle.

Always, the idea of a job at the end of the cycle was paramount in the minds of staff as well as participants. The participants worked and studied in a job-simulated environment. They had to be at the center on time. They punched a time clock in and out and called in sick when they had to miss classes, just as they would have to do on the job. The training was enriched by using area employers to give guest talks and by tours of local plants.

Job placement was never seen as the end of the connection between the center and the participants. From its earliest inception, the HRD program was seen as having to "prove" its value. That was thought to be more important as a means of ensuring community support than as a means of satisfying the needs of federal funding sponsors. Yet both the Office of Economic Opportunity and the Department of Labor, as well as the Ford, Reynolds, and Babcock Foundations and NAM, were most interested in the development of some means of evaluating the program.

The key to such an evaluation was seen from the beginning as long-term follow-up. Manpower programs in that period -- and, for that matter, in most cases since -- contented themselves with thirty-sixty-ninety-day follow-up. From the beginning, the Greensboro Center followed up on its participants -- dropouts as well as graduates -- for a full year.

That one-year follow-up had several advantages. It permitted counselors to "coach" participants on the job who were having problems. It provided a means for feedback from the participants on the job (or looking for a job) on what the HRD program might do to prepare its clients better. Most important, it made it possible to compare the economic situations of participants for the year prior to and the year after training. It began to provide the answer to a most important question: Was the effort worth the taxpayers' investment? The first method used for this purpose was an MDC variant of something called "tax payback."

The idea was to look at taxes paid by participants in the year before and the year after training. Counting post-training welfare

reductions positively (as taxes "saved"), the increased federal and state tax payments by the group could be compared to the cost of the program for the group.

For instance, during the 16 months in which the Greensboro Center operated, 337 trainees were enrolled, of whom 280 successfully completed training. One year after graduation, 228 of the graduates were located, and 78 percent of that number were found to be employed. Based on an average annual income gain of \$1,214 per participant and a per-participant cost of \$958, MDC calculated that, in 6.5 years, the group would repay the cost of its training in increased federal and state taxes alone.

The tax payback system of measuring cost-effectiveness proved valuable, particularly when the time came to take HRD to the General Assembly for consideration of state funding. But it had distinct drawbacks. It was time-consuming to calculate, for one thing. Since two participants earning the same wage would have different tax bills (reflecting differences in the number of their dependents, marital status, etc.), the tax payment had to be calculated separately for each trainee. Furthermore, the measure was less than ideal as a management tool because it did not always reward programs for doing desirable things -- e.g., it penalized programs for enrolling married people, since they paid taxes at lower rates than single people and would show a poorer tax payback.

Whatever its drawbacks, the tax payback evaluation led to two interesting statistical conclusions. First, it showed that the average income gain per participant in the HRD program was greater than the

average cost per participant, at least in the first year of operation. Second, it showed that if participants could continue to do just as well as they had done the first year after finishing the program -- with no provision for salary raises -- they would repay the costs of their training in increased federal and state taxes in a finite period of time. Without a comparison group of nonparticipants drawn from the same cultural and economic background but who did not have the training, it was not possible to claim that the gains were entirely the result of the program. Yet if other manpower programs in the country could show raw gains as promising as those shown by the Greensboro Center, few had done so.

With funding running out for the Greensboro Manpower Center, MDC approached businessmen in the city in early 1969 to take over the operation. The effort was unsuccessful. One former businessman who was assistant director of the center at the time speculated that the approach came too late -- by the second year of operation, the local economy was softer and employers were not in such urgent need of new workers. Then too, OIC of America was in the process of opening a Greensboro office which would provide prevocational training similar to MDC's, and there was considerable minority support for that venture. Industry may have seen OIC as a better guarantor of services to minorities in time of crisis. Certainly industry favored the OIC non-stipend approach to training.

But in the last analysis, the effort to get a group of employers in a single city to provide funding to operate a program such as HRD may have been doomed to failure from the beginning. With the best of

will, industries with different needs will not find it easy to cooperate to the extent of providing money and a single manager of that money for a cooperative labor force development program. Even earlier than the abortive effort to turn over the Greensboro Center to industry, the state's system of community colleges had been seen as an inviting home for the new program.

Fortunately, there was time to weigh the implications of a move in that direction. In July 1969, on the basis of results of the experience in Greensboro, the United States Department of Labor and the United States Department of Health, Education and Welfare funded MDC for two more such training centers -- one in Craven County and one in Asheville. The purpose of that \$400,000 experiment was to test the effectiveness of HRD away from the industrialized Piedmont, in smaller urban and in rural settings.

In some respects the Asheville Center was similar to the Greensboro prototype. It had, if anything, a stronger industrial involvement. A coalition of industrialists supported by Western Carolina Industries (the employers' association for that part of the state) and by the Chamber of Commerce had created Mountain Manpower, Inc., with the ideas of developing the labor pool and helping disadvantaged individuals find jobs. The organization was in place and seemed ideal to operate the Asheville HRD program.

The labor market was still tight in Asheville, and industry there went out of its way to encourage the new program. Advisory board members gave guest lectures in HRD classes, opened their plants for class tours, got to know trainees, and even "adopted" some for job

placement purposes. Initially, classes were held in a church in downtown Asheville, with night classes concentrating on literacy training, and day classes concentrating on job readiness skills, on the Greensboro model. Eventually the Mountain Manpower board decided to open satellite offices in Hendersonville, Forest City, and Madison County because members of Western Carolina Industries had plants in those outlying areas and needed workers.

In the two years in which the Asheville Center was operated with federal funding (1969-71), it enrolled more participants than any of the other pilot centers. Of the 659 enrolled, 458 successfully completed training, and of the 383 graduates located six months after graduation, 60 percent were employed. Because per-graduate costs were lower in Asheville than in Greensboro, the tax payback period looked better there -- it took only 5.6 years to pay back trainee costs with increased federal and state taxes, as compared with the 6.5 figure for Greensboro.

Craven County was another story altogether. While jobs were plentiful in Greensboro and in and around mountainous Asheville to the west, they were scarce in Craven County and its surrounding eastern counties. In a weak economic environment in which poor people were often disadvantaged members of racial minorities, a climate of racial strife (with an active Ku Klux Klan) further complicated matters.

The Craven County Center was seen by some individuals in the area at least as much as a product of racial and political appeasement as an outgrowth of the area's needs for labor. While an industrial advisory board was put together, it never assumed as active a function

as comparable boards in the earlier centers. Additionally, the first Craven center was located in Cove City, a community somewhat remote from the county's main center of population, the city of New Bern. Transportation was thus added to the growing list of problems.

In the first year of operation, the Craven County Center turned in a negative tax payback -- that is to say, at the rate at which participants were placed in jobs, they never would repay the costs of the program through increased state and federal tax payments. At that point, the center operation was moved to New Bern, the HRD cycles were lengthened from 10 to 13 weeks, and a Family Development Unit was established to help deal with the often complex problems participants faced in their family lives. At the same time, job coaching -- a component of HRD that most veteran staff agree was not utilized enough in Greensboro or Asheville -- began to be emphasized in Craven County. This "on-the-job-counseling" by HRD staff after job placement proved helpful and popular with employers as well as the former participants.

All of these changes contributed to an improved record in the second year of HRD in Craven County. By the end of 1971, after two years of operation, 181 individuals had enrolled in the program; 153 had successfully completed training; and of the 116 who were located six months after graduation, 66 percent were working. Because of the nature of the local economy, however, more were working in service jobs and fewer in industrial jobs than in Greensboro or Asheville.

During the first year of operation of the Asheville and Craven County Centers, steps were taken to mark the community college system as the future home of HRD. MDC Board Chairman Luther Hodges, Jr., and

Executive Director George B. Autry met with Governor Robert W. Scott in September 1969 and proposed that the HRD program be tested in one college. Dr. Dallas Herring, chairman of the State Board of Education, wanted the program to start at Lenoir Community College, which had a president, Ben Fountain, in whom Herring had great confidence. Fountain, in fact, was destined soon to succeed Dr. E. E. Ready as director of the community college system.

Governor Scott set aside the first state money for HRD, \$40,000, to train 100 participants in the first year at Lenoir. MDC used its continuing federal grants to train the Lenoir staff to do outreach, counseling, motivational training, job development, and job coaching.

In February 1970, shortly after the program had begun in Lenoir, Governor Scott and Dr. Herring went to visit. They toured the program, with the media tagging along. "Here we have focused our attention to meet unmet needs," said Dr. Fountain. "All I can say is 'Glory, Hallelujah, Amen' and now let's do some more of this."

His suggestion that there was more to come was picked up as a theme in Governor Scott's speech:

"You know, North Carolina's community college system has a lot to be proud of," the governor said. "In the brief, seven years of the system's life, enrollment has grown from 8,000 to 240,000 -- that's an increase of 2,900 percent. Yet I will be the first to say that the job isn't done. The community college system has not fully reached today's disadvantaged individual. The school dropout. The urban job hopper. The displaced farm worker. Men and women, white and black, these individuals need help... If this program works as I hope it will

work, I plan to go to the General Assembly in 1971 with a means of spreading it in an orderly fashion throughout the community college system."

The Governor's emphasis on the new ability of the system to reach out to the disadvantaged seemed justified by the results of the Lenoir program's first two years of operation. Jobs on completion of the curriculum were still the overriding consideration, and the Lenoir program succeeded by then-current standards of comparison. In the first two years, the program enrolled 183 trainees, of whom 139 successfully completed. Ninety-nine of those were located six months after graduation, and 78 percent were employed, a record which only Greensboro -- where the local economy was more dynamic -- came close to matching. More importantly, the tax payback period was 4.6 years, better than that of any of the early centers.

In subtle ways, the program had changed. There was no outside employers' advisory council -- the activity of the job developer seemed to indicate that none was needed. Recruitment was more by word-of-mouth than by street-corner encounter. Students were considerably younger (57 percent of the Lenoir first-year group were under 21 years old), and the need for crisis counseling appeared to be less acute. The first faint stirrings of a program linked to further training in a community college had been sounded.

It was too early to tell which of those changes would become permanent and which would be transitory. But it was encouraging that the Lenoir pilot program was so obviously continuing in the tradition of reaching the disadvantaged -- individuals who, as Dr. Herring observed, had been missed by the state's education and training system

in the past. The tax payback figures made that clear. And, as the Governor noted, this was something the community college system had lacked -- a true means of outreach to the disadvantaged, and particularly to minority disadvantaged.

That aspect of the program had a conclusive impact on a key group of individuals who had to approve HRD's entrance into the system -- the local community college presidents. In 1970, DCC hosted a meeting of community college presidents from all over the state to present the Lenoir experience and gauge local interest. Two-thirds of the presidents recognized the need for such a program, and half were willing to try it at that point. One reason for their enthusiasm was the "open door" policy that was in place in all the schools. Most presidents took that policy seriously and recognized in HRD a way to bring the population most in need of its services into the system.

At Governor Scott's request, the 1971 General Assembly appropriated \$300,000 to spread HRD to six schools in the system: Asheville-Buncombe and Craven, representing two of the three early centers; Lenoir; Isothermal, which had been involved in one of the Asheville Center's satellite programs; Roanoke-Chowan, which hoped to develop a modification of a program tailored to rural areas with few job opportunities; and Southeastern, a school that already offered prevocational training and wanted money to hire an industrial coordinator/job developer to increase private sector involvement.

The transition of the two older programs -- Asheville and Craven County -- to the community college system is worth examining for what it reveals about changes in operation of the HRD program. When

Asheville-Buncombe Technical Institute took over the program, the HRD staff was reduced to five and its director (an industrialist) was replaced by a businessman who also had teaching credentials. The program remained housed in the church until 1975, when it moved on campus.

Three of the original Mountain Manpower staff still work for the program, and they believe it has changed little since its inception. Some members of the industrial community who were involved with the program under Mountain Manpower, however, believe that the program has been altered for the worse. They point out that the advisory board of industrial managers was dropped once HRD moved into the community college system and lament what they see as a shift in the program's emphasis from job preparation to academic education.

Staff maintain that they kept good relationships with individual personnel managers when the program moved to Asheville-Buncombe Tech; they saw no need to continue the advisory board. They concede that the program motivates students to work toward high school equivalency certification more today, but note that even in Mountain Manpower's day some students got GEDs while attending the center.

The transition of HRD from manpower center to community college program in Craven County was more abrupt than in Asheville and left a residue of bitterness. Without warning, staff was reduced from eight to three members and one part-time, the night program was eliminated, and family counseling was reduced. In succeeding months the advisory council, never strong, withered away to nothing.

* * * * *

Before Dr. Herring would agree to take HRD to the General Assembly for statewide funding, he insisted on a means of allocating funds tied to program performance. While the tax payback formula was one such means, it had its shortcomings, as noted above. As a consequence, MDC developed a second measure of cost-effectiveness called earnback. The earnback system worked much the same way as tax payback, with the difference that instead of comparing state and federal taxes paid for the years before and after training, it compared the participants' individual earnings.

Initially, the formula was as simple as this:

$$\frac{\text{Post-training income minus Pre-training income}}{\text{Costs}} \quad \text{equals} \quad \text{Earnback}$$

For instance, if the average gain in income in the year after training over the year before training for an HRD cycle -- including those with no earnings as well as those with earnings -- was \$1,000, and the average cost per participant in the program was \$500, the earnback would be expressed in the equation above in this way:

$$\frac{\$1,000}{\$500} \quad \text{equals} \quad 2$$

This says that, in the year after training, the average participant increased his earnings from the year before by a sum equal to twice the cost of his training.

It is clear that measures such as tax payback and earnback do not "prove" the degree to which employment and training programs are successful. Without a comparison group (a similarly economically and socially disadvantaged group who received no training during the same period), there could be no scientific assurance that gains in earnings

experienced by HRD clients were program-related. But comparison groups are expensive. An ongoing statewide comparison group would have involved costs far beyond the state's willingness to pay, and it would have raised other serious questions -- such as the possible introduction of new training programs to members of the comparison group -- which could cast doubt on the legitimacy of the comparison.

Besides, the interest of Dr. Herring was not so much in proving "success" of the program as in comparing program performance between similar programs for purposes of allocating funds. He was interested in earnback not as an absolute but as a relative measure or performance standard. He wanted the more successful programs to be rewarded with higher allocations. He wanted them to compete for the money by trying harder to get the best jobs for the most needy participants, and to let the programs seek their own level of achievement.

For those purposes, earnback is a useful measure. Additionally, even with all the caveats that must be offered, it has a persuasive power. While HRD's proponents in the General Assembly busied themselves explaining what earnback did not prove, the legislators marveled at a manpower program which at least appeared to recover its costs in a few years in increased taxes and which produced graduates who could earn back the costs of their training in increased income twice or more in the year after training.

Interestingly, an evaluation of the six programs in the expanded HRD system in 1973 produced findings similar to those that had been produced in the past. A follow-up of some 861 trainees who went through HRD in the six institutions in a 21-month period ending in November

1973 showed that 52 percent of all enrollees were employed. The tax payback period was better than any that had been recorded in the experimental centers or at Lenoir -- 1.94 years. The earnback was 2.3.

With earnback as one part of the allocation formula (full-time enrollment and a factor for program stabilization also were plugged in), the 1973 General Assembly appropriated \$1,475,000 to spread HRD throughout the community college system. The experiment that had begun with federal funds only six years before was officially accepted as an ongoing state program. It had been institutionalized: HRD had found a home.

* * * * *

While changes in the HRD program have been noted in this historical account of its movement into the community college system, a thorough, school-by-school analysis of the program in 45 of the state's 58 institutions presents a fuller picture of change almost 10 years after institutionalization.

Compared to the original HRD programs in Greensboro, Asheville, and Craven County, the current programs:

- Involve far more public assistance recipients. Only 14 percent of the participants in the HRD program in 1970-71 were receiving public assistance in one form or another (Aid to Families with Dependent Children, food stamps, Unemployment Insurance), and that percentage rose only to 15 in 1972-73, when the program was being operated in six community colleges. In 1980-81, the percentage of participants who

were public assistance recipients when they entered the program had risen to 39 percent. (The original earnback system treated welfare decreases in the year after training as gains in earnings, thus encouraging the programs to enroll welfare recipients. In 1976, however, the state Board of Education tripled the weighting of those welfare-related earnings "gains," in effect offering an earnback bonus for enrollment and successful placement of public assistance recipients.)

- Make more training-related placements. Figures are not available for training-related placements in the prototype manpower centers, but they were definitely not a program goal and were few, in any case. The original earnback formula did not provide for earnings gains calculations related to further training. Early in the HRD experience in the community college system, however, a way was devised for crediting training directly related to jobs in earnback. In 1980-81, 16.1 percent of graduates were placed in further training after HRD.

- Enroll more females. The Greensboro Center showed a 55 percent female enrollment. For the first three centers, enrollment of females increased to 66 percent; by the time of the six HRD programs in the community college system, the percentage had increased to 71; and the 1980-81 female enrollment was right at 73 percent.

- Enroll more whites. The Greensboro Center had a white enrollment of only 10 percent by the last cycle (earlier cycles were better balanced racially, but the program came to be viewed by the community as a "black" program). In 1980-81, across the statewide HRD system, white enrollment was 41.1 percent.

• Use stipends less. The original HRD program was conceived as requiring stipends in order to attract truly disadvantaged participants. A form of stipend -- \$20 a week, considerably below MDTA standards -- was utilized in the Greensboro Center, and was available to virtually all day enrollees. When HRD entered the community college system, use of stipends was spotty. It reached its high point in 1976-77, when 90.8 percent of all HRD participants were receiving stipends. The decline in use of stipends to 68 percent in 1980-81 is not so much related to a decline in the amount of CETA money available (1980-81 saw CETA's heaviest national funding commitment in history) as to the growing conviction within the system that full stipends are not necessary and may even bring into the program individuals more difficult to motivate to hold jobs. At the same time, the negative impact of stipends on earnback is apparent and has persuaded many programs to reduce their use.

• Continue to enroll disadvantaged participants. This may be the most important area in which program consistency has been maintained. Mean years of education of participants have varied little from Greensboro Center days, staying nearly constant at 10 (1980-81 figure: 10.3). Pre-program earnings have gone from \$943.47 in 1976 to \$1,179.04 in 1980-81. If a standard measure for inflation is used, the 1980-81 figure comes to 813.87 deflated dollars, actually a decrease in pre-program earnings. Public assistance participation has increased a total of 178.6 percent since Greensboro days (the number of AFDC cases in North Carolina has increased 101 percent in that time). While participants in the Lenoir experiment were notably younger on the

average than those in the earlier centers, that change did not hold up -- participants' average age currently is 26 years, the same as in the Greensboro Center.

While these generalizations are sustained in any broad-gauged look at HRD today, it is also true that the 45 current programs display a high degree of individuality. What is true for one program is far from true in a half-dozen others. In a sense, no two programs are alike. Some of that program-to-program diversity shows up in analysis. Variations include:

- Eligibility criteria. Enrollment policies vary from 100 percent CETA-eligible to completely open-door for 18-year-olds. The main restrictions on participation are age (18 plus), income (especially in the CETA-related programs), educational level (from dropouts through high school graduates), and employment -- 31 programs require that the participants be unemployed, usually for at least a week.

- Willingness to serve special populations. Some programs have special cycles for CETA youth or imprisoned offenders. One -- Davidson -- has been exclusively for welfare recipients in 1981-82.

- Location of the program site. Six schools use off-campus sites, 12 use multiple sites, and only 60 percent have a single, on-campus site.

- Both length and content of curriculum. The length varies from special two-week cycles to normal 8-week courses up to 10 weeks. Two offer high school completion rather than remedial education; one offers no educational component; only three had skills training components; four had Business and Industrial Training; five had legal aide training;

32 geared the educational component toward GED preparation; 32 offered ABE; and 40 had consumer education.

- Use of stipends. Seven used no stipends in 1980-81; one was 100 percent stipended; the remainder were between those extremes.

- Availability of support services. Generally support services were not offered, although six of the programs give day-care assistance, and eight provide other services such as travel or dependent allowances.

- Staffing. Total staffing for a single HRD program varies from a low of two part-time people to a combination of full-time and part-time staff adding up to nine persons. Eighty percent of the programs have three to five staff members, who generally split their time among two or more functions. While 44 programs have coordinators and 42 programs have instructors, only 24 programs have individuals whose main responsibility is job development.

- Enrollment. Total enrollment per program varied in 1980-81 from 25 to 267. Minority enrollment varied from zero percent to 100 percent; public assistance enrollment from 7 percent to 71 percent; male enrollment from 5 percent to 61 percent; and percentage of high school graduates enrolled from 19 to 98 percent.

From the above, it should be clear that while many differences exist between the various programs, there are elements consistent with the way HRD has been operated in the past, and there are also elements of change.

The program generally has kept the basic curriculum, despite the existence of many variations. It has kept its focus on small groups of disadvantaged individuals and it has kept -- although diluted in

some places by training-related activities -- its basic emphasis on direct placement in jobs.

It has lost a degree of involvement from the private sector. While some of the HRD programs have strong job developers, others make job development a part-time activity involving several individuals, none of whom is especially qualified. The loss of involvement of a private sector advisory council in each program has not always been compensated for in program staffing.

A certain amount of personal counseling and crisis intervention in the program itself probably has been lost as well, although it is not easy to see whether that loss is significant. The intense outreach of the early centers also seems to be missing, but here the ability to continue to bring needy individuals into the program suggests that word-of-mouth and agency referrals may have rendered the old street-corner recruiting unnecessary.

The program has increased its emphasis on academic training and, to some extent, its linkages with CETA and other training programs, including skills training, and especially its ability and willingness to help program participants during and after their involvement in HRD to gain their high school equivalency degree. The program has also grown in a broader, philosophical sense, as shown by a new willingness to explore the individual trainee's best potential and a refusal to settle for entry-level work at the end of every training cycle as an end in itself.

The program has something else now that it could not have had 14 years ago: It has a history. In that history, there are some figures

who have been on the stage, as instructors and participants, for a long time. In some cases, it is possible to see the program move from generation to generation.

Cameo -- January 1982 -- "Jobs are so hard to find..."

Willa Bella Rowe has been with the HRD program in Asheville since one week after it began in September of 1969. In that time, she has been a secretary, and a recruiter, and a job developer, and whatever else was needed. She has seen the program grow and change.

"I want to tell you about Betty," she says. "She just got her five-year pin on the job at (a textile mill). The lady came to us, I guess it was almost six years ago and she had only had a job washing dishes in the past and she didn't have any transportation and, well, she was in poor shape to get a job."

If anything, things were worse than that, Betty says. She remembers life before the program all too vividly.

"I had five children and I was on welfare and I wanted off. I went over to the -- (another program) folks and they said have you got a high school degree and I said no I hadn't and they recommended Manpower. My daughter had gone through the program, fact she met her husband there. She got her GED and got married the same day. So I went over there and I met Burney Gardner and liked her a lot, and the other folks over at HRD too."

Burney Gardner has been with HRD in Asheville almost as long as Willa Bella Rowe -- she came in December of 1969.

"I remember Betty very well. She was eager and she was in need of help..."

When Betty finished HRD, Ms. Rowe took her over to the mill. The personnel director was a friend of Ms. Rowe's and was impressed with Betty. After the interview, he told Ms. Rowe that if Betty wanted to work there he would figure out how to get her a ride to and from the plant.

Betty feels so strongly about the program that she called up Ms. Rowe a few months ago to say thanks again. "It got me my job and I'm making \$4.69 an hour and good benefits and a good retirement plan... I tried to get my son in the program later on but I was making too much money," she says with unmistakable pride."

Ms. Rowe and Ms. Gardner can provide a long list of HRD graduates who have been working steadily eight, ten years, many of them with the same employer who hired them out of HRD.

How has the program changed, Ms. Rowe is asked. "It hasn't changed that much. I'm really happy with what it's doing. But jobs are so hard to find now... Times are hard and we're feeling it and the graduates are feeling it too."

III. PROGRAM RESULTS

Denise is 27. In 1976, she had spinal meningitis and the recovery period gave her time to think. She thought she would try to find something better than the day-care jobs she had had and she decided to enroll in HRD. She finished HRD and did clerk-typist training at the community college under CETA sponsorship. At present she is a clerk-typist with a pre-trial release program, with ambition to return to school. "Without HRD, I would be going nowhere in a nothing job," she says.

Martha was on welfare, receiving aid for her two dependent children. When her husband walked away, she did not know where to turn. "I was just lucky," she says, "that I found HRD." But that was seven years ago, and Martha has had a succession of jobs, some part-time and some full-time. She is presently out of work and back on welfare -- "temporarily, I hope." It is a source of great pride to her that she got her GED recently.

Nobody is more certain of value received than the participant in a real learning experience; yet, measuring the before-and-after difference in objective terms meaningful to all can be most difficult.

Few evaluators would attempt to place a single, measurable value on a high school or college education. Yet programs that purport to assist in the transition from unemployment to productive work are thought to be so measurable. To the extent that they improve the participants' earnings or reduce welfare dependency at a recoverable or at least reasonable cost, they are considered successes as programs.

Such measurements may be simplistic, yet most employment and training programs accept them as valid (although too few are willing to take the trouble -- and presumed risk -- of applying them to their own). Evaluators who do have information susceptible to measurement, however, are still left with other kinds of considerations:

What is an appropriate time frame in which to make judgments about earnings increases related to the program -- is it one year afterwards, or five years, or ten?

What levels of earnings increases characterize a "good" employment and training program? Are there readily applicable standards of excellence? Is it possible to compare one kind of program with another? Similar programs with each other?

What can be said about changes in behavior, levels of confidence, or attitude on the part of participants which may not be reflected in earnings increases in the time frame of measurement?

These and other similarly difficult questions make it clear that an evaluation of an employment and training program partakes of a degree of subjectivity, no matter how earnest or fair-minded the evaluators. The more information available, the longer that information has been gathered, the more likely the evaluation is to shed light on the strengths and weaknesses of the program.

* * * * *

The HRD program in the North Carolina community college system has worked harder and for a longer time at collecting and assembling information about its participants than any other employment and training program with which the authors are acquainted. It has collected information about the characteristics of its participants, how they fare in the program itself, their total earnings for a year prior to entering the program and for a year after completing it. It has examined pre- and post-training public assistance received by participants in the same way. It has compared earnings gains and assistance decreases with program costs in an Efficiency Index patterned after "earnback" and used the results to increase or decrease allocations to the participating institutions.

Table III-1

HRD Participant Earnings
Performance Years 1977, 1979, and 1981

	PY 1976-77	PY 1978-79	PY 1980-81	Percent Change since PY '77
Annual Pre-Program Earnings	\$ 943.47	\$1,191.97	\$1,179.04	25.0
- in 1976 \$ (GNP deflator)	--	--	(877.97)	(-6.9)
- in 1966 \$ (CPI deflator)	--	--	(813.87)	(-13.7)
	(n=4347)	(n=5218)	(n=4633)	
Annual Estimated Post-Program Earnings	\$1,752.95	\$2,497.50	\$2,440.67	39.2
- in 1976 \$ (GNP deflator)	--	--	(1,871.43)	(6.8)
- in 1976 \$ (CPI deflator)	--	--	(1,684.75)	(-3.8)
	(n=2034)	(n=2789)	(n=2531)	
Estimated Average Earnings Gain	\$ 789.72	\$1,212.70	\$1,188.92	50.5
- in 1976 \$ (GNP deflator)	--	--	(885.32)	(12.1)
- in 1976 \$ (CPI deflator)	--	--	(820.69)	(3.9)
	(n=2034)	(n=2789)	(n=2531)	
Earnings Gains as Percent of Pre-program Earnings	83.7	101.7	100.8	20.4

Source: HRD Program Data Tapes for Performance Years 1977, 1979, and 1981.

That succession of one-year follow-ups provides a way of looking at comparisons of pre-program earnings with post-program earnings across all HRD programs in the state over the last five years.

Average annual pre-training earnings, performance year 1976-77:	\$ 943.47
Average annual pre-training earnings, performance year 1980-81:	\$ 1,179.04
Average annual post-training earnings, performance year 1976-77:	\$ 1,752.95
Average annual post-training earnings, performance year 1980-81:	\$ 2,440.76
Estimated average earnings gain, performance year 1976-77:	\$ 789.72 ^{1/}
Estimated average earnings gain, performance year 1980-81:	\$ 1,188.92 ^{1/}

Percentage of change in earnings gain since 1976 -- 50.5

Using a standard deflation factor (GNP), the earnings increases are sharply reduced (see Table III-1), and the percentage of change in earnings gain is reduced to 12.1 percent.

Another way of comparing the 1976 and 1980 programs in terms of earnings increases is to look at the percentage of increase within each program year. The 1976 program brought increases of 83.7 percent, while the 1980 program brought about increases of 100.8 percent.

^{1/} "Average annual pre-training earnings" are based on data from all enrollees. "Average annual post-training earnings" and "estimated average earnings gain" reflect data only from those participants who were located during individual program follow-up. For that reason, the average earnings gain figures do not exactly match the figures obtained by subtracting pre-training earnings from post-training earnings.

It is clear from these figures that participants in HRD experience substantive increases in their earnings in the year after completing the program as compared to the year before. It is also clear that those increases themselves have improved over the past five years. But what is equally clear is that the participants are poor people coming into the program and still poor people a year later. The official government standard of poverty-level income for one person for 1980 was \$3,790, and the HRD participants were earning on an average well below that level (\$2,440.67) and in many cases were providing all or part of the support for a family.

True, these participant earnings figures average in many who do not succeed in finding employment as well as those who do, including some program dropouts (the programs vary in the degree to which they follow up on dropouts), thus obscuring to some extent such success as the successful ones have.

And, more importantly, the earnings gains are for only a year after training. An earnings figure is assigned for the time graduates spend in vocational or skills training in those calculations, but not for academic work, such as completion of requirements for a high school diploma or GED certificate. To the extent that HRD motivates its participants toward earning a GED, earnings increases the first year may seriously understate true gains. On the other hand, to the extent that the participants find good jobs right away, they may overstate true gains down the road: How many of these new job-holders will continue to work productively in the future?

To help find at least partial answers to these questions, this study focuses also on a representative sample of HRD participants from

1978-79 and asks how they are doing three years after completing the program. A sample group of 1,025 was selected and tracked through use of questionnaires, HRD files, and Unemployment Insurance data. (For a detailed accounting of the methodology employed, see Appendix A.)

The group of respondents to the questionnaires was reasonably typical of the 1978-79 HRD class as a whole. There were, however, variances which we believe might contribute to an understatement of success rates to a degree. Among respondents, for example, there were proportionately more females -- 80.5 percent -- than there were females in the program -- 76.1 percent (a difference significant at the 10 percent level of Chi Square tests). One-year follow-up records for the class of 1978-79 show the post-program earnings of females were substantially lower than the post-program earnings of males. While only 45.5 percent of the males were earning less than \$5,000 a year after training, 59.9 percent of the females were in that earnings bracket.

Again among the respondent group, there were proportionately fewer who resided in the industrial Piedmont, where jobs are relatively easier to find, and more who lived in the Coastal Plains, where jobs are relatively scarce (a difference significant at the 5 percent level). In 1978-79, the Coastal programs had the lowest placement rates among the state's three regions -- 31.5 percent, as opposed to 39.1 percent for the Piedmont and 42.1 percent for the Mountains. The Coastal programs also had proportionately more public assistance recipients in their classes -- 31.8 percent, compared to 27.2 percent in the Piedmont and 28.6 percent in the Mountains -- and the smallest average one-year participant earnings gains: \$914 vs. \$1,243 in the Piedmont and \$1,627 in the Mountains.

Table III-2
Characteristics of Study Populations

Characteristics	1978-1979 HRD Enrollees (N=5218)	Respondents to MDC Survey (N=442)	1978-1979 ABE Enrollees (N=351)	Variance and Chi Square Significance
Sex				
Male	23.9%	19.5%	23.4%	Significant at 10% level.
Female	76.1	80.5	76.6	
Race				
Black	59.6	60.1	57.6	Not significant.
White	38.2	38.3	40.4	
Other	2.1	1.6	2.0	
Schooling				
6 yrs. or less	2.7	2.6	2.5	Not significant.
7-9 years	27.6	21.8	26.0	
10-12 years	66.1	70.8	69.5	
Over 12 years	3.6	4.9	2.0	
Residence at time of enrollment				
Mountains	23.9	24.5	NA	Significant at 5% level.
Piedmont	41.3	33.3	NA	
Coastal	34.9	42.2	NA	
Exit Status				
Job-placed	12.4	13.7	5.9	Not significant between HRD enrollees and MDC survey respondents.
Training-placed	9.1	8.7	1.7	
Job-placed, non- completer	15.8	16.1	NA	
Not placed	42.5	47.7	NA	
Lack of interest	9.7	5.3	6.8	
Terminated	3.3	4.1	NA	
Left early	7.3	4.4	2.3	

Completed training	NA	NA	16.6	
Received GED	NA	NA	8.5	
Health, family, or trans- portation problems	NA	NA	4.2	
Administrative separation	NA	NA	54.0	
Age				
21 and younger	45.1	NA	30.2	Significant at 5% level.
22 to 40	47.6	NA	37.2	
over 40	7.1	NA	32.8	

Source: HRD Program Data Tapes for performance year 1979 and UI Data Tape.

Table III-3

Responses to MDC Survey
Earnings and Income Levels
(n=416)

Average earnings, 1980	\$3,476
Average income, 1980	\$3,794
No income	15.4%
Less than \$1,000	11.8%
\$1,001 - \$ 2,500	18.0%
\$2,501 - \$ 5,000	20.9%
\$5,001 - \$ 7,500	20.0%
\$7,501 - \$10,000	8.7%
More than \$10,000	5.2%

Source: MDC Survey of 1978 HRD Participants, Conducted 1981.

The average annual earnings reported by the questionnaire respondents three years after graduation from HRD were \$3,476, an increase of 98.3 percent over the average earnings of the full 1978-79 class as reported in that year and of 42.4 percent over that of the 1980-81 class.

Again, it seems clear that the HRD group tracked is better off three years later than it was, or that similar HRD class groups were, a year afterwards. And this time the average earnings level of the group (\$3,476) is only \$314 below the 1980 poverty-level income for a non-farm family of one. To the extent that the HRD program, and not other sources such as the economy, is responsible for that improvement, it has helped its average participant pull to within a few dollars of poverty-level income in three years.

But that is not to deny that the average participant is still in poverty circumstances three years later. Many have responsibility for families larger than one -- poverty-level income for a family of four, for instance, in 1980 was \$3,974 above the average earnings of the group. And some 15.4 percent of the group were still reporting no income three years later, while 50.7 percent had incomes of \$5,000 or less.

The questionnaire survey revealed some other interesting information about the participants three years after finishing HRD:

- Slightly over half (50.5 percent) were working; that compares with a 35.4 percent employment rate at time of program exit for the class of 1978-79.

Table III-4

Responses to MDC Survey
Labor Force Status

(n=442)

Worked some since leaving HRD	86.7%
Working at time of response	50.5%
Average hours per week	36.8
Average monthly wage	\$636.37 (about \$3.68 per hour)
Occupations	
Professional, technical, & managerial	14.8% (1/3 as teacher aides & 1/3 as medical aides)
Clerical & sales	20.6%
Services	19.3% (2 out of 5 in restaurant work)
Agricultural, forestry	3.1%
Processing	4.5%
Machine trades	18.9% (4 out of 5 in textiles)
Benchwork	11.7% (3 out of 4 in apparel & textiles)
Structural work	3.6% (3 out of 4 in construction)
Miscellaneous	3.6% (1/2 as taxi drivers)
Length of current employment	
Less than 3 months	15.2%
3 to 6 months	9.4%
6+ months to 1 year	16.6%
1+ to 2 years	26.9%
Over 2 years	31.0%
Not working at time of response	49.5%
Looking for work/laid off	47.2%
In training	11.1%
Out of the labor force	36.0%
Given up looking for work	5.6%
Length of unemployment	
Less than 1 month	6.7%
1 to 3 months	13.4%
3+ to 6 months	15.8%
6+ months to 3 years	47.8%
More than 3 years	16.3%
Participated in training since leaving HRD	50.5%
Type of training program	
GED	18.8%
Community college or technical institute	50.9%
Four-year college	10.7%
Other	19.4%
Received GED since leaving HRD	24.0%
Received other diplomas or certificates since leaving HRD	23.4%
Worked in PSE job since HRD	10.9%
Participated in CETA training since HRD	17.9%

Source: MDC Survey of 1978 HRD Participants, Conducted 1981.

- Since participating in HRD, 36.7 percent had worked at least some of the time.

- 69.8 percent of those working at the time of their one-year follow-up were still employed in 1981.

- Over half (57.9 percent) of those working had been in the same job for over a year; thirty-one percent had been in the same job for over two years.

- Of those not working, almost half either were in training (11.1 percent) or considered themselves out of the labor force (36 percent). Fewer than half (47.2 percent) of those not employed were looking for work. The remaining small group (5.6 percent) said they had given up looking for work.

Earnings levels were evidently restricted by the number of respondents working in low-paying jobs. The biggest group (20.6 percent) were in clerical and sales work, while 19.3 percent were in service occupations (two out of five in restaurant work) and 18.9 percent were in machine trades (four out of five in textiles). A total of 31 percent, almost one in three, had been in their current job over two years.

Perhaps the most interesting aspects of the survey results had to do with training. Responses indicated clearly that the participants were aware of their need for further training to pull themselves up above entry-level job capability. More than half of the group (50.5 percent) had had some kind of training after HRD. Fully 25.7 percent had enrolled in some kind of course or class in the community college system, and 24 percent -- almost one in four -- said they had received their GEDs subsequent to finishing HRD.

Before enrolling in HRD, Shirley lived in a different culture. Her behavior marked her as a "backwoods hillbilly" (her description) who would never fit in at the average workplace. Her two daughters got GEDs through HRD and persuaded her to attend. She not only received a GED but decided to go into nursing, and enrolled in the nursing program at her community college, where she is working hard and currently doing very well.

In addition to the questionnaire survey, this study took another, different kind of longer-term look at the impact of HRD on its participants. A group of HRD participants were matched for educational level, sex, and race with a group of CETA participants who had been given Adult Basic Education. Both groups were followed over a three-year period, from 1978 until 1981. The effort here was to find participants from the CETA program most closely resembling HRD.

The groups compared this way:

Average annual pre-training earnings, HRD group, 1978:	\$ 1,693.86
Average annual pre-training earnings, CETA group, 1978:	\$ 1,876.05
Average annual post-training earnings, HRD group, 1980:	\$ 3,292.56
Average annual post-training earnings, CETA group, 1980:	\$ 3,330.76
Estimated average earnings gains, HRD group:	\$ 1,721.78
Estimated average earnings gains, CETA group:	\$ 1,382.98

The HRD group of 690 participants, which had lower pre-program earnings than that of the CETA group of 231, had increased their average annual earnings 101.6 percent in the three-year period, while their CETA program counterparts were increasing their wages 73.7 percent. Those gains are less substantial when corrected for inflation -- 85.9 percent gain for HRD versus 62.3 percent for CETA; and in no sense are they meant to reflect an inherent advantage of HRD over CETA programs in general.

Still, the HRD group was considerably more disadvantaged in terms of pre-program earnings and did raise its earnings level to within a

few dollars of that of the CETA group over the three-year period tracked. The comparison is even more instructive when costs are considered. CETA costs are difficult to compute; however, using average figures for CETA programs of the sort involved here, the CETA costs per job placement figure is \$2,130, compared with \$1,271 for HRD in 1981.

Table III-5

Earnings Data for 1978 HRD and ABE Participants

Average Participant Earnings				
Program	12 Month Pre-Program	Annualized 1980	Earnings Gain	Percentage Gain
HRD	\$1,693.86	\$3,292.56	\$1,721.78	101.6
- in 1978 \$ (GNP deflator)	--	--	(1,455.85)	(85.9)
- in 1978 \$ (CPI deflator)	--	--	(1,361.39)	(80.4)
	(n=634)	(n=690)	(n=461)	
ABE	\$1,876.05	\$3,330.76	\$1,382.98	73.7
- in 1978 \$ (GNP deflator)	--	--	(1,169.37)	(62.3)
- in 1978 \$ (CPI deflator)	--	--	(1,093.51)	(58.3)
	(n=351)	(n=231)	(n=230)	
ABE as a Per- centage of HRD	110.8	101.2	80.3	72.5

Source: UI Data Tape.

Table III-6

Selected Comparisons between HRD and CETA II-B Programs
1981

	HRD	CETA II-B (N. C.)
Percent of Enrollees Receiving Public Assistance at Time of Enrollment	39.1 (includes AFDC, food stamps and UI recipients)	30.4 (AFDC)
Percent Job-Placed	70.8 (within 365 days)	63.0 (within 90 days)
Costs per Job Placement	\$ 1,271	\$ 2,130 (est.)

Source: 1980-81 Performance Summary, Human Resources Development Program, October 1981;
and North Carolina CETA Prime Sponsor Cumulative Data, Fiscal Year 1981.

The improvement in the lot of HRD participants over a three- and five-year period -- and particularly the annual improvement in post-program over pre-program earnings gains -- suggests that the HRD program statewide may be "improving" as well. There are a number of ways of viewing that issue.

First of all, it should be noted that HRD is currently serving fewer enrollees than in the past; in fact, it has served successively fewer in each of the five performance years from 1976-77 -- a decline from 5,418 enrollees in 1976-77 to 4,633 in 1980-81. Despite that decrease in enrollments, however, completion rates have increased slightly during the period, rising from 76.9 percent to 78.2 percent. Perhaps of more significance has been a slight increase in job placements over the period: from 1,312 in 1976-77 to 1,487 in 1980-81. That means that the figure for job placements as a percentage of enrollments -- one generally reliable measurement of program improvement -- has increased in the period under study by 32.6 percent (see Table III-7).

Other ways of viewing placements also disclose improvements, with one possible exception: The total number of training placements has declined by 15.9 percent over the period, from 596 in 1976-77 to 501 in 1980-81. But whether that decline is a good mark for the program or a bad one depends on point of view: Since the goal of the program is to get participants into jobs, it could be argued that a decline in training placements, together with an increase in job placements, means that the local programs are coming closer to meeting program objectives. On the other hand, to the extent that vocational training

enhances employability, training placements can be (and have been) viewed as positive outcomes for HRD participants.

Placement rates for those participants who receive follow-up services during the year have increased dramatically. Job placement rates for that group jumped from 47.6 percent in 1976-77 to 70.8 percent in 1980-81. Similarly, training placement rates, as opposed to training placement totals, grew from 14.1 percent in 1976-77 to 20.9 percent in 1980-81.

Over the same period, costs per enrollee have declined in deflated dollars. Costs per enrollee in 1976-77 were \$738 and had increased to only \$798 (or, using deflated dollars, had decreased to \$594) by 1980-81. Costs per job placement over the same period showed an actual current dollar decline from \$3,047 to \$2,486 (\$1,851 in deflated dollars).

So HRD costs per job placement have stayed the same or declined in current dollars and have been reduced sharply in deflated dollars since 1976 (see Table III-8). To some degree, the decline in costs per placement must be related to a considerable current dollar decline in CETA funds used for stipends during that period.

State HRD expenditures (in millions), FY 1976-77:	\$ 2.151
CETA stipend expenditures (in millions), FY 1976-77:	\$ 1.847
Total expenditures (in millions), FY 1976-77:	\$ 3.908
State HRD expenditures (in millions), FY 1980-81:	\$ 2.371
CETA stipend expenditures (in millions), FY 1980-81:	\$ 1.325
Total expenditures (in millions), FY 1980-81:	\$ 3.696

The decline in CETA dollars probably does not represent a lack of available dollars for the period (although that would differ from program to program) so much as it represents an increasing unwillingness

of HRD programs to pay full stipends to all participants in the program. The decline in use of stipends has been noted in an earlier chapter. After all, the individual program earnbacks are based on total costs, and those totals are increased dramatically by the routine payment of stipends to all participants. A program paying stipends is at a cost disadvantage with its non-stipended or partially stipended neighbor, with whom it must compete for its annual allocation.

So the amount of CETA stipend money used by the HRD program decreased by 28.3 percent between 1976-77 and 1980-81, while the state HRD contribution increased by 10.2 percent. Those changes, however, are expressed in current dollars. If inflation is taken into account, the picture is quite different and very much to the disadvantage of the program.

With the standard GNP deflator, the CETA stipend contribution has declined by 46.6 percent, and the state contribution to the program has declined by 17.9 percent. Total expenditures are down even in current dollars, and they are down by 31.2 percent -- nearly one-third -- in deflated dollars.

Table III-7

HRD Enrollments, Completions, and Placements
Performance Years 1976-77 thru 1980-81

	PY 76-77	PY 77-78	PY 78-79	PY 79-80	PY 80-81	% Change Since PY 76-77
Enrollments	5418	5306	5218	4720	4633	-14.5
Completions	4166	3705	4163	3092	3623	-13.0
Rate of Completion	76.9	69.8	79.8	65.5	78.2	+1.7
Job Placements (Enrollees)	1312	1458	1847	1460	1487	+13.3
Rate of Placement	24.2	27.5	35.4	30.9	32.1	+32.6
Training Placements (Enrollees)	596	697	584	466	501	-15.9
Rate of Placement	11.0	13.1	11.2	9.9	10.8	-1.8
Students Receiving Follow-up	4167	3682	4328	4703	4108	-1.4
Job Placements (Follow-up recipients)	1985	2718	3236	3416	2909	+46.5
Rate of Placement	47.6	73.8	74.8	72.6	70.8	+48.7
Training Placements (Follow-up recipients)	590	774	956	964	858	+45.4
Rate of Placement	14.1	21.0	22.1	20.5	20.9	+47.2

Source: HRD Program Data Tapes for Performance Years 1977, 1979, and 1981; and HRD Performance Summaries for 1976-77 through 1980-81.

Table III-8

HRD Expenditures, Enrollments, Completions, and Job Placements

FY 1977-FY 1981

	FY 76-77	FY 77-78	FY 78-79	FY 79-80	FY 80-81	% Change Since FY 76-77
State HRD Expenditures (in millions)	\$2.151	\$1.991	\$2.066	\$2.248	\$2.371	+10.2
- in '76 \$ (GNP deflator)	--	--	--	--	(1.766)	(-17.9)
- in '76 \$ (CPI deflator)	--	--	--	--	(1.637)	(-23.9)
CETA Stipend Expenditures (in millions)	1.847	2.190	1.131	1.438	1.325	-28.3
- in '76 \$ (GNP deflator)	--	--	--	--	(.987)	(-46.6)
- in '76 \$ (CPI deflator)	--	--	--	--	(.915)	(-50.5)
Total Expenditures (in millions)	3.998	4.181	3.197	3.686	3.696	-7.6
- in '76 \$ (GNP deflator)					(2.551)	(-31.2)
- in '76 \$ (CPI deflator)					(2.752)	(-36.2)
Total Cost Per Enrollee	\$ 738	\$ 788	\$ 613	\$ 781	\$ 798	+8.1
- in '76 \$ (GNP deflator)	--	--	--	--	(594)	(-19.5)
- in '76 \$ (CPI deflator)	--	--	--	--	(551)	(-25.3)
Total Cost Per Job-Placed	3,047	2,868	1,731	2,525	2,486	-18.4
- in '76 \$ (GNP deflator)	--	--	--	--	(1851)	(-39.3)
- in '76 \$ (CPI deflator)	--	--	--	--	(1716)	(-43.7)
HRD Cost Per Enrollee	397	375	396	476	512	+29.0
- in '76 \$ (GNP deflator)	--	--	--	--	(381)	(-4.0)
- in '76 \$ (CPI deflator)	--	--	--	--	(353)	(-11.1)
HRD Cost Per Job-Placed	1,639	1,366	1,119	1,540	1,594	-2.7
- in '76 \$ (GNP deflator)	--	--	--	--	(1187)	(-27.6)
- in '76 \$ (CPI deflator)	--	--	--	--	(1100)	(-32.9)

Source: HRD Program Data Tape for Performance Year 1976-77 and HRD Performance Summaries from FY 1976-77 through FY 1980-81.

With earnings increases up and program expenditures down over the five-year period, it might be expected that the Efficiency Index -- the system's name for the earnback figure -- would have shown an increase. The EI is a program measure rather than a participant measure: It describes how well the program operates by comparing costs with effectiveness. For 1980-81, the Real Efficiency Index (unadjusted for a triple-weighting for public assistance decreases) was 2.25. That says that in the year following training, the average participant showed an earnings gain equivalent to 2.25 times the cost of his training.

Again, it is important to note that without a comparison group there is no way to know to what extent those gains on the part of participants are directly program-related. The EI's biggest value as a measurement undoubtedly is to the program itself. After years of experience using it, upward or downward changes in it can be significant, particularly as the formula is relatively inflation-free. That is to say that while a dollar is worth less in 1980 than in 1976, the relationship between the dollar used in costs and the dollar gained in earnings increases should roughly balance.

So it is a valid comparison to note that the EI for 1975-76 was 1.31. That says that HRD did nearly twice as well in 1980-81 in producing a cost-effective program as it had done five years before. It is interesting to note that while the program has improved by that amount, the improvement has not occurred steadily over time. In fact, the 1980-81 EI is the lowest in four years, since 1976-77 (see Table III-9). Some additional light might be shed on that development by the graph in Table III-10, which plots the path of the state's

Unemployment Insurance rate year by year along with the EI. The EI tends to rise as the UI line sinks, and tends to sink as the UI line rises.

What is being plotted on that table relates closely to the economic health of the state and even more closely to the soundness of the labor market. When the labor market is depressed -- when jobs are few -- UI rises and placements from employment and training programs become more difficult. The EI declines. Some areas of the state suffer from a poor labor market virtually in good times and bad. HRD programs in those areas generally live with lower EIs and, consequently, smaller programs. When an economic downturn sends the statewide Unemployment Insurance rate kiting, statewide EI generally declines.

Table III-9

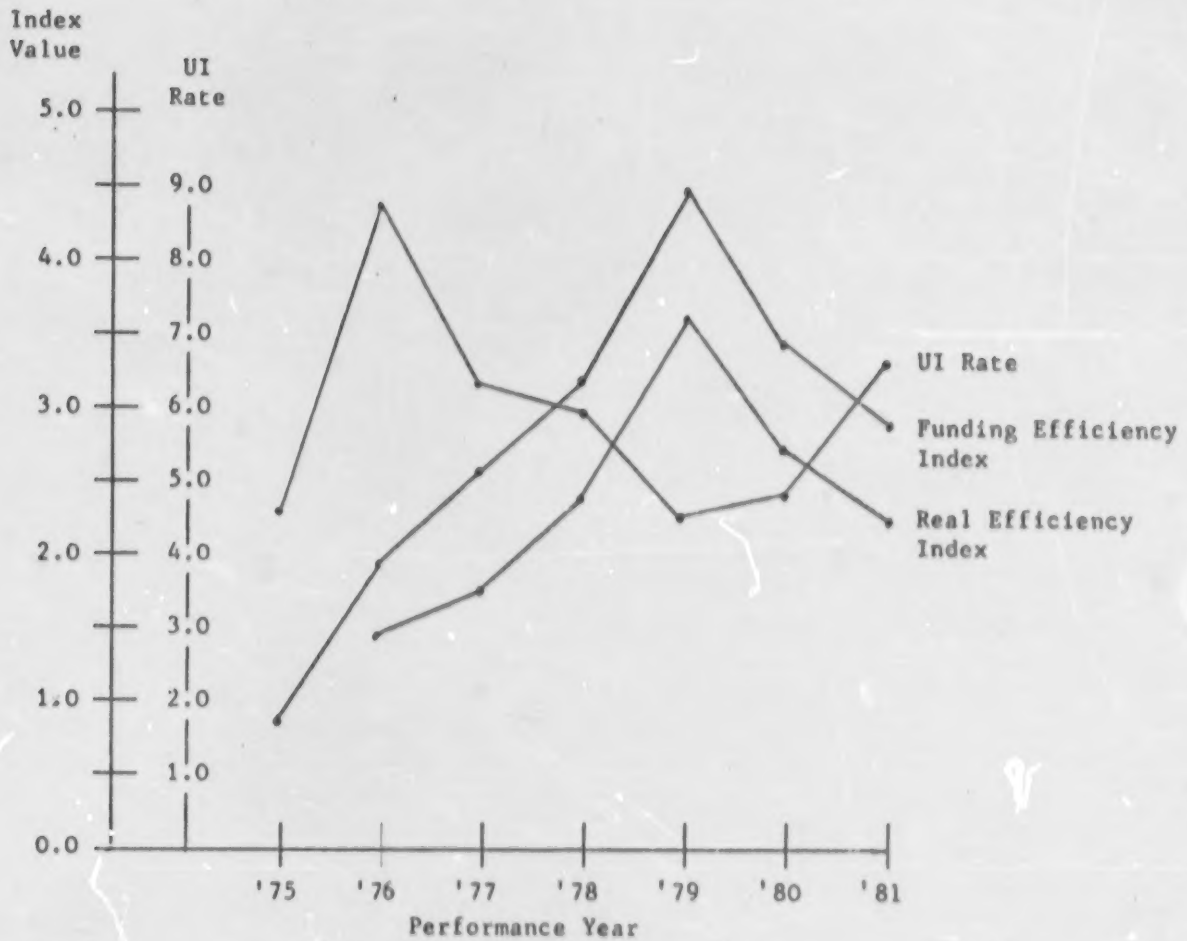
Efficiency Indicators
Performance Years 1975 through 1981

Efficiency Indicator	Performance Year						
	1974-1975	1975-1976	1976-1977	1977-1978	1978-1979	1979-1980	1980-1981
Unadjusted (Real) Efficiency Index	NA	1.311	1.689	2.289	3.666	2.721	2.255
Weighted (Funding) Efficiency Index	.766	1.943	2.539	3.211	4.512	3.497	2.767

Source: 1980-81 Performance Summary, Human Resources Development Program, October 1981.

Table III-10

Efficiency Indicators, UI Rates
PY 1975 - PY 1981



Source: 1980-81 Performance Summary, Human Resources Development Program, October 1981; Data Book, Office of State Budget and Management, Research and Planning Services, June 1980; and N. C. Budget Office.

Indeed, it may be only because the program has operated at lower costs and has produced a lower per-placement cost that the Efficiency Index has remained as stable as it has over the past two years. Continued rising unemployment in the state would likely further inflate the UI rate and put further pressure on EI. Paradoxically, though, the HRD program may be more rather than less important to the state as that happens: That is because the program has shown a high degree of effectiveness in reducing the use of public assistance.

The percentage of participants receiving public assistance (Aid to Families with Dependent Children, food stamps, and Unemployment Insurance) prior to enrollment in 1976-77, for instance, was 38.6. That percentage declined to 24.3 for the same group in the year after participation. In 1980-81, the corresponding percentages before and after training were 39.1 percent and 22.4 percent (see Table III-11).

Those percentages are more impressive when the families of the participants, rather than just the participants themselves, are considered. In 1980-81, members of the families of 49.2 percent of participants were receiving public assistance in the year prior to enrollment. In the year after enrollment, that family public assistance participation figure had dropped to 29.6 percent -- from just below one in two families to below one in three.

Judy had her first baby when she was 16 years old and she never finished high school. She was on welfare for a while and then she found herself in HRD when she was 23. But she did not get a job after HRD and stayed on AFDC for quite a while. Now she has gotten her GED and a job as a machine operator at \$4.50 an hour in a furniture shop. "It's just a job, no chance for promotion, no benefits," she says. She has brighter hopes for the future. But for now, she is at least off welfare. Three kids now: A son, 12; another, 8; and a daughter, 9.

HRD participants do show reduced payments from all three public assistance programs in the year after training, and those payments have been reduced more sharply over the past five years. Table III-12 indicates the degree of those reductions. In 1980-81, for instance, the average assistance to AFDC recipients went from \$2,513.75 in the year before training to \$2,104.95 the year after training, and the group of 798 people receiving the pre-training assistance was, itself, reduced by 31.8 percent.

The same kinds of reductions appear for food stamp recipients -- the largest group of the three -- and for Unemployment Insurance recipients. In the latter group, in 1980-81, 73.6 percent of the former UI recipients are off UI in the year after training, and the average amount of UI collected has been reduced from \$1,358.96 to only \$702.94.

By far the most serious welfare condition of the three is Aid to Families with Dependent Children. Unemployment Insurance is by law a temporary relief, and food stamps provide only partial support. But the AFDC recipient, or "welfare mama," can become part of a total dependency chain that moves from generation to generation. For that reason, a high premium has been placed in HRD in getting AFDC recipients into the program and finding jobs for them upon completion.

At the same time, the statistics indicate that the program has become more "selective" about AFDC recipients over the past five years. While the total number of all public assistance recipients entering the program each year has been increasing, and the total of AFDC recipients in that number has also been increasing, the total of AFDC dollars received in the year before training has been declining even

in current, non-deflated dollars. More AFDC enrollees receiving less AFDC money can only be explained by a decrease in numbers of dependents. The average number of dependents of an AFDC recipient entering HRD has declined steadily from 2.2 in 1976-77 to 1.9 in 1980 (Table III-13).

Table III-11

**Pre- and Post-Program Public Assistance Participation
Performance Years 1977, 1979, and 1981**

	PY 1976-1977	PY 1978-1979	PY 1980-1981	% Change since PY 1977
At time of enrollment				
- % enrollees on public assistance	38.6	29.1	39.1	+1.3
- % enrollees in families on public assistance	52.2 (n=5418)	40.5 (n=5218)	49.2 (n=4633)	-5.7
At time of follow-up				
- % participants on public assistance	24.3	15.2	22.4	-7.8
- % participants in families on public assistance	34.7 (n=4166)	24.7 (n=4164)	29.6 (n=3623)	-14.7
% reduction in number on public assistance since enrollment				
- Individuals	37.0	47.8	42.7	+15.4
- Families	33.5	39.0	39.8	+18.8

Source: HRD Program Data Tapes, Performance Years 1977, 1979, and 1981.

Table III-12

Average Annual Pre- and Post-Program Public Assistance
Performance Years 1977, 1979, and 1981

	FY 1976-77			FY 1978-79			FY 1980-81			% Change since FY 76-77		
	Pre-Program		Post- Program	Pre-Program		Post- Program	Pre-Program		Post- Program	Pre-Program		Post- Program
	Specific P. A.	All P. A.	All P. A.	Specific P. A.	All P. A.	All P. A.	Specific P. A.	All P. A.	All P. A.	Specific P. A.	All P. A.	All P. A.
AFDC Recipients	\$2,009.24 (n=701)	\$2,906.53 (n=701)	\$2,144.97 (n=301)	\$1,845.26 (n=713)	\$2,642.71 (n=713)	\$1,417.49 (n=412)	\$1,590.71 (n=798)	\$2,513.75 (n=798)	\$2,104.95 (n=485)	-20.8	-13.5	-1.9
Food Stamp Recipients	\$1,322.64 (n=709)	\$2,852.74 (n=709)	\$1,977.56 (n=295)	\$1,274.73 (n=638)	\$2,576.95 (n=638)	\$1,365.34 (n=334)	\$1,077.14 (n=1027)	\$2,022.94 (n=1027)	\$1,682.74 (n=595)	-18.6	-29.1	-14.9
UI Recipients	\$2,137.97 (n=274)	\$2,518.34 (n=274)	\$ 287.63 (n=129)	\$1,646.64 (n=118)	\$1,975.12 (n=118)	\$ 287.81 (n=63)	\$1,088.49 (n=243)	\$1,358.97 (n=243)	\$ 702.94 (n=121)	-49.1	-46.0	+144.4

*Specific public assistance refers to:
 AFDC payments only for AFDC recipients
 Food Stamp payments only for FS recipients
 UI payments only for UI recipients

Source: HED Program Data Tapes for Performance Years 1977, 1979, and 1981.

Table III-13

Average Number of Dependent Children
 HRD and North Carolina Public Assistance Recipients
 Performance Years 1977, 1979, and 1981

	PY 1976-77	PY 1978-79	PY 1980-81	% Change since PY 1976-77
AFDC Recipients (HRD Completers)	2.2 (n = 690)	2.1 (n = 710)	1.9 (n = 798)	-13.6
Food Stamp Recipients (HRD Completers)	2.5 (n = 676)	2.3 (n = 621)	1.8 (n = 1027)	-28.0
UI Recipients (HRD completers)	1.6 (n = 230)	1.3 (n = 112)	1.8 (n = 243)	+12.5
All N. C. AFDC Recipients	2.8	2.6	2.5	-10.7

There is evidence that the decline is no accident. Interviews with HRD staff turned up an unsurprising current of opinion to the effect that AFDC mothers with many children are a poor bet for employment.

The speaker is a food stamp worker, unfamiliar with the HRD program. "It's a farce for AFDC women. You can't make them seek work -- they take the class and then go back on welfare." Later, HRD staff and Department of Social Services staff discuss the problem more thoroughly. Their conclusion: Generally, the welfare mothers HRD has been able to help are those with only one child or with grown children; HRD and DSS staff agree that in typical AFDC families with several children, the mother simply cannot afford to hold a job. Some such women have enrolled in HRD to get the GED, but few have gone to work.

The opinion may not be one with which all HRD staff would agree, and practices vary, as we have observed, from program to program. But it is fair to say that with a declining overall HRD population, the program has become more selective. That is not to suggest that the current population is less disadvantaged than it was five years ago -- by most measurements the opposite is true -- but that more care has been taken to screen out likely failures from the program.

One HRD coordinator complains about Vocational Rehabilitation. "They see us as a dumping ground for clients they themselves can't place. We can't do much with them in eight weeks..."

In another case, the job developer notes that alcoholics and long-term AFDC recipients are not likely to function well under the pressures of training or employment, so most individuals in those categories are screened out.

In a third program, a staff member puts it this way: "We can only take people who have the possibility of being employed at the end of the program. Some of the people (referred by two agencies) are so severely handicapped that we could never place them."

The avoidance of "long-term" problems, not susceptible to treatment in a short-term program, does permeate the HRD statistics, even allowing for differences in approach from school to school. Unemployment Insurance statistics for the past five years show the same trend in that regard: The pre-training receipts for UI enrollees in HRD have been declining even in current dollars over the five-year period, suggesting that the program has tended to select the short-term rather than the long-term unemployed.

More than anything else -- economic considerations aside for the moment -- the increasing skill with which the program's recruitment and assessment arms have embraced those whom they can help to the exclusion of those they cannot has contributed to the program's cost-effectiveness, as reflected in the relative stability of the EI in hard times.

For even the participants who do get into HRD have, for the most part, problems sufficiently severe that it is the height of optimism to expect help for them from an eight-week program. As we have seen, some are helped in the short run -- one to three years -- and some are not. A more difficult question to answer, one for which no hard statistics are available, is: How much help does HRD provide over the long run?

* * * * *

Suzanne did not make it out of high school but she did land a job, in a cotton mill, \$4.60 an hour, not bad she thought. She worked there three years, until she was 19, and quit. "I could see dead end written all over that job," she says. "I would be doing the same thing ten years later." She heard about HRD from friends and enrolled. "It had mere effect on

me than anything else in my life. It motivated me to put a little more trust and faith in myself. It helped me find out where my main interests lay." She got the idea that she wanted to work in a veterinary hospital, and the job developer for HRD got her a job there. "Interesting," she says, "but \$70 a week didn't keep me going." Back to the folks in the program, who suggested the local hospital. This time she got the job herself. "The interview was hard. I don't think I would have had much confidence except for the HRD program." She has been in the lab six months, training, has passed all tests, is expecting a raise, and looking at improving her status with college-level training, becoming a registered laboratory technologist. She is making \$4.37 an hour currently.

Viewed strictly from the standpoint of earnings gains, Suzanne's experience with the program would appear negative. She is making less money now than she did the year before entering HRD, in 1978, when she was working in a cotton mill.

Yet Suzanne leaves no doubt with the visitor that she has come a long way since HRD, that she has found a career course, set herself on it, and that she sees no limit now to economic progress and -- so far as work can determine it -- to progress in personal satisfaction. Her prognosis for the long term is good, far better than it was three years ago. But no statistic available today tells that part of her story. To get that story, you have to go to the participants themselves, as MDC did with its questionnaires and with its in-depth interviews.

First, there is the question of what the participants think of HRD three years later. Most employment and training programs that inquire of their participants how well they were served do so immediately after the program has ended. At that time, if the participant has been placed in a job -- and in some cases even if he has not -- the reaction is warm and supportive. The halo effect is in place; the

participant feels a flush of success at having finished a program and received a diploma.

The HRD coordinator expresses his worry with an image. "It's an old-time Baptist revival. It makes people feel good about themselves, but will they still benefit when the revival wears off, or will they need it three or four more times a year?"

It is worth asking the participants themselves, three years later. Three years of gained jobs and lost jobs, of ups and downs later, what do they have to say about HRD? The questionnaires sent out to the sample of 1978-79 HRD participants produced a total of 445 responses. A question asking the respondents for an overall rating of HRD elicited the following responses (n for this question = 428):

Excellent	--	40.9 percent
Good	--	41.1 percent
Fair	--	13.6 percent
Poor	--	4.0 percent

It would seem significant that, looking back at the experience of HRD from a distance of three years, a number of former participants approaching one-half rated the program as excellent, and that 82 percent rated it as either excellent or good. And that only 4 percent rated it as poor. It is also impressive that 95 percent of the respondents "would recommend HRD to a friend."

When asked an open-ended question about what was "most helpful" about HRD, the respondents reacted this way:

Working with others/developing good work habits	21.5 percent
Developing self-awareness/understanding	17.5 percent
Helping to find a job	16.3 percent
Academic skills/helping to return to school	12.5 percent
Miscellaneous comments	12.9 percent
No response	19.3 percent

Table III-14

Responses to MDC Survey
Program Assessments
(n=428)

<u>Overall rating of HRD</u>			
Excellent	40.9%		
Good	41.1%		
Fair	13.6%		
Poor	4.0%		
<u>Would recommend HRD to a friend</u>	95.0%		
<u>Most helpful aspect of HRD (open-ended question)</u>			
Working with others/developing good working habits	21.5%		
Developing self-awareness, understanding	17.5%		
Helping to find a job	16.3%		
Academic skills/helping to return to school	12.5%		
Miscellaneous comments	12.9%		
No response	19.3%		
<u>Selected rankings of specific program emphases</u>	<u>Helped a lot</u>	<u>Helped some</u>	<u>Did not help</u>
Getting and keeping a job	50.5%	32.5%	16.7%
Finding out about jobs	45.3%	39.5%	15.2%
Getting along with other workers	62.8%	29.5%	7.7%
Speaking/listening skills	60.0%	35.7%	4.3%

Source: MDC Survey of 1978 HRD Participants, Conducted 1981.

In that same vein the respondents ranked "getting along with other workers" and "speaking and listening skills" higher than "getting and keeping a job" and "finding out about jobs" in another ranking of program emphases.

But just as isolated statistics can be deceptive, so can answers to set or stock questions. To get behind the answers to questions, MDC established a third line of inquiry below the computer printouts and the questionnaires: Interviews with a representative group of participants out of the program at least three years. The assistance of staff in various HRD programs around the state was enlisted to locate a group of former participants generally corresponding to the three-year group as a whole in terms of employment, wages, welfare dependency, age, sex, and race. Sixty-one in-depth interviews **were** conducted.

Interviews were conducted as informally as possible, more often than not out of the presence of HRD staff, usually in person, but occasionally over the telephone. An open-ended format was adopted to encourage the interviewees to express as fully as possible their feelings about the HRD program and about their current situation and prospects for the future.

Two questions loomed above all others in the personal inquiries: In the face of an average wage of only \$3,476 three years after finishing HRD, and with almost half of the group still unemployed, what could account for the overwhelming support for the program indicated in the questionnaires? And what could be the significance for the program of the clear tendency of questionnaire respondents to rank motivational and interpersonal gains over those relating specifically to finding and keeping a job?

Jean graduated from high school, but dropped out of college parallel work at the community college in which her HRD program was located. She went through HRD in 1978. Since then her work history has been spotty. She has worked in a fast-food shop, a cafeteria, a photo shop. "Personal problems," she says, **were** part of the history of job-hopping.

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She is back in college now, enrolled part-time in an Early Childhood Training course, but having trouble getting the part-time work she needs to support her study and wondering whether she should tough it out, borrowing money from her family, or quit and get a full-time factory job. About HRD: "It really helps. It helps everyone in it. It helps you get to know people better and it helps you get a job."

Sara says that HRD helped save her marriage. She married early, at 17, and dropped out of school to have a baby. While her husband was in Vietnam, she went through what she described as "great stress" and went to the local community college to "take anything." She ended up as much by accident as design in HRD. "It made me take a look at myself. I didn't like what I saw, but it made me keep on looking until I could decide what could be changed." She has an 11-year-old child now, a Siamese cat, and a husband. She is not looking for work.

Marie's problem, to hear her tell it, is that she was fat. "Huge," she says. When she looked in the mirror, she didn't like what she saw. She was afraid even to go and look for a job, and then there were the two children and the husband, whose disappearing act seemed to have taken on permanent dimensions. He had been her crutch, she says. She had to get out, and a friend told her about HRD. "It helped me find my real self," she says softly. "I'm very shy and the program helped me learn to sell myself and get my appearance right." She lost weight and has been working now for two and one-half years in the community college cafeteria.

Kenny is 20 and legally handicapped, the result of a car wreck that left his right arm useless. After graduating from high school he got involved in a program for handicapped youth and learned while in it about HRD. "The program really helped me in working with other people and in figuring out where I could go in my life. At first, after the accident, it was like my life was coming to an end. It still is hard. It's a mental thing. Every day I have to get up for what's to do. But the program really helped me see where I was and where I had to go." Kenny worked with HRD as a recruiter and clerk after finishing and then enrolled in business courses at the community college. He got a job driving a van for a community action agency transporting elderly and handicapped citizens from their homes to the doctor, the grocery store, etc. With the phasing out of public service employment, he lost his job. Now he is looking for another. "If my wife can keep on working, I'd like to come back here (to the community college) and finish in business."

These four excerpts from interviews are selected to illustrate a major point that emerged from the interviewing process as a whole. There seemed to be no direct relationship between the high praise accorded HRD and the participants' present status. Participants talked about HRD's benefits in terms of their lives as a whole, not exclusively -- and often not at all -- in terms of direct benefits to them with respect to jobs. Of the 61 participants interviewed, four actually used the phrase "changed my life" in referring to the program.

But if HRD's long-range impact is motivational, if it inspires "hope" in individuals who have not had much before, does it accomplish those ends at the sacrifice of sufficient concentration on job preparation and placement? Interviews with staff and participants and examination of the HRD curriculum in the institutions visited provided little evidence of that. The program's primary emphasis is unmistakably on jobs -- if not immediately on completion, then after some further practical course of training intended to build specific job skills in demand in the community. The EI's insistence on either a training payoff or a job payoff keeps the program's focus on employment.

There are two schools of thought, however, on whether the program ought to "lead the participant by the hand" to that job at the end of the HRD course. Most HRD staff members interviewed take the position that HRD should build in the skills necessary to help the participant conduct a job search personally and individually. Some staffers feel that the disadvantaged status of their participants makes it essential that they carry out the job search process in close contact with the participants, at least to the extent of finding that first job. Where

MDC interviewers encountered criticism of the program in talking with former participants -- and there was little criticism, even though efforts were made to find "unsuccessful" participants -- it usually went to this point: The former participant felt that he or she had not been helped sufficiently in finding a job.

The frustration of finishing the course and then not finding work surely needs little explanation. It is likely that any program that motivates participants to the degree that HRD does also raises expectations that may not be fulfilled, that certainly will not always be fulfilled in the short run. Sometimes at least as much desperation with the situation as disappointment with HRD was reflected in the interviews with unsuccessful job-seekers.

Carolyn has three children -- 13, 12, and 10, and "sorta finished" high school (completed 12 years without getting a diploma). She enrolled in and dropped out of a nurse's aide program in her early 20's. She has never been on welfare, but her mother helps support her children. She has had a number of jobs, the last one in a cotton mill. When she was laid off, she went into an HRD program. She says that the program helped her with employment goals, job search, and interview techniques, and made her more familiar with legal issues which affect her life. But while the HRD coordinator calls frequently to see if she has found employment, the program has not helped her get a job yet. She would like to get her GED but needs work more. She is two months behind in her bills and "things are going downhill fast." She appreciates the job search skills HRD gave her, but she is frank to say that she would like more help finding a job.

Carolyn is reasonably typical of current HRD participants. The typical HRD participant is a black female with 10 years of education, aged 26, with individual earnings under \$1,200 a year and family earnings under \$3,500 a year prior to enrollment. In 1980-81, 39.1 percent of participants were receiving some form of public assistance.

on enrollment, a situation which Carolyn has avoided only through her mother's help in supporting the children.

Sociologist Arthur Campbell has written chillingly: "The girl who has an illegitimate child at the age of 16 suddenly has 90 percent of life's script written for her." In their book What's Happening to the American Family, Sar A. Levitan and Richard Belous observe that whether the child is illegitimate or not is more a matter of moral than economic concern. The chances of a female head of household's receiving any payment from the departed father of her children, whether or not the couple had been married, are considerably less than 50-50.

Without educational or cultural advantages, without skills or means, that group of female heads of household is the single largest and most difficult target group in the country for employment and training programs. That is one of the groups that the HRD program attempts to serve. With all of its virtues, the program probably can be only a starting point for those participants who are ready to take advantage of it.

"We're talking about a program of four to eight weeks length in most schools," says an HRD counselor-coordinator. "Four to eight weeks to undo a lifetime of one sort of failure or abuse or another. Sometimes I think we are asking miracles of ourselves and the participants."

Interviews with participants indicate that they are fully aware of the struggle before them. Their comments suggest that few of them really expect miracles. A theme with touching as well as surprising nuances ~~was~~ the repeated desire, expressed by more than a ~~few~~ participants, to take HRD over again.

"Looking back on it now, I wish I had taken HRD more seriously," says Judy, the furniture shop machine operator. "I would take it more seriously now... Yes I would take it again. I may." She had shown up at the local community college looking for a course that would lead to a GED and got into HRD that way. She got the GED eventually but now wants to get into a data processing program. "I know HRD would help me more a second time. I want to graduate from something. I've got a GED but it's just a piece of paper, you know..."

For whatever reason, many of the participants, employed and unemployed, maintain contact with the HRD program years after they have finished. The program is seen as a continuing, helping force, with its doors permanently open, not only to those who would enter but to those who have already passed through.

Martin grew up in a family his HRD coordinator described as "difficult." He dropped out of high school and quickly landed in prison for what he told an interviewer was shoplifting but which was described by the coordinator as "more like breaking and entering." When he came out of prison, he heard something about HRD from an ex-offender friend. The local program at that time was run specifically for ex-offenders and had an extra dose of socialization in place of the GED booster. Martin did not get a job right away. He messed around for a while and then got in the Job Corps. He was sent off to Kentucky and had completed 25 percent of his training in masonry when his mother became ill and he had to return home. Since then, he has had a succession of odd jobs, most of them marginally productive. But hardly a month goes by without his calling his HRD coordinator. She regards him as a young man who has not yet fully made up his mind to get his act together. "He had a girl friend who was good for him and they broke up and he went into a tailspin. Now they are back together again and I'm more optimistic." Martin is calling frequently these days, talking about a course in upholstery at the technical institute, a course his coordinator told him about. It is now almost four years since Martin finished HRD. In the meantime, he has persuaded his two sisters to enroll in the program.

That presents another pronounced pattern -- the tendency of participants to get members of their families involved in HRD as a result of their own experience, to make of the program a kind of extended family of advisers and assistants. And more than one married pair around the state have met during HRD.

Martin's two sisters are a study in contrasts. One breezed through HRD and came out with a positive attitude even though she, like her brother, had served time in prison. She is one who went on into the community college system after HRD, qualifying as a LPN late in 1981. The other sister did not like HRD, "never came out of her shell" according to the coordinator. But she still stays in touch with the program, all the same, and is looking for a job with the coordinator's help even now.

Marty's problem, she says with a smile, is her mother. Marty went through HRD three years ago and says that the program helped her discover an aspect of herself she did not know existed. "It brought me out completely. It was the way she (the HRD coordinator) asked us questions and made us come out. I found I could hold my own." There were false starts in job seeking, but Marty found a job. To her amazement she turned out to have a "personality" and is selling records in a retail record store. Good job, but she wants to go part-time and enroll in a local college to become a medical secretary. If her mother will just stop bugging her about getting married. Maybe there is a connection; but, anyway, Marty has talked her mother into entering HRD. "She's been pressing clothes in a dry cleaners all her life. I think HRD will help her. She's 41 and I'm 21 and she just discovered HRD late, that's all."

Helen's husband became disabled on the job four years ago and could not go back to work. Bad luck on bad luck when she had to have an operation. Their family of three went on welfare. VR paid Helen's medical bills and told her about HRD. She wanted a GED. Helen's husband was adamantly opposed -- she guessed that his ego was threatened, as he had not finished high school either. Helen thinks back on it: "We had lots of fights about it but I went. It was one of the greatest things that ever happened to me. Everyone should go... I thought that I was dumb, but they gave me confidence and convinced me that I could do anything I wanted to." After HRD, she was persuaded to enroll in the community college's business administration course. CETA paid her an allowance, AFDC helped her support her family. Afterwards she got a bookkeeping job. "I'd be in a restaurant or dime store if it wasn't for HRD," she says. And in the intervening period she got her niece into and through HRD.

The motivation factor can be incalculably high for those individuals who are ready. More than a few cases have been recorded in which HRD has provided the impetus to send a participant out into

the business world with managerial and even entrepreneurial designs. Among those interviewed for this study were the manager of an auto tire store and a buyer and salesperson for a furniture store (a former convict). And then there is Violet.

Violet is in her late 40s. She came to HRD after her children were grown. The jobs she had after HRD were mainly cut-and-sew and in restaurants. But Violet wanted to have her own business. Her husband, a farmer, agreed that they could manage that. They bought half of a cut-and-sew business of their own. Last April, Violet and her husband filled their basement with sewing machines and brought five employees in to work. Violet oversees production and does all of the bookkeeping. She credits HRD with giving her the confidence to do it.

Violet and the others like her, though, are the "stars." It could be argued that they would have risen high even without HRD. It is obvious that all they needed was a strong dose of reassurance, a touch of the "Baptist revival" sense of commitment referred to earlier. At the other end of the spectrum are those who will be content with any job they can get, and those whose problems are so severe or whose dependence on public assistance is so ingrained that it will be years, if ever, before they can hold secure employment.

Those two groups are a minority of the real and potential clientele for HRD. In the middle are the more numerous ones who will have to struggle to succeed, but in whom HRD has awakened a spark of faith in that possibility. Increasingly, the program has seen those individuals as in need of something more than just an entry-level job. As employment opportunities have diminished in a worsening labor market, and as the demand for skills has quickened, the programs have begun to look more seriously at the concept of career development.

One school staff has made the following recommendations for the program: "Careful screening of participants to ensure that they have the potential to be motivated; strong group interaction and motivation technique; inclusion of career development, especially in the nontraditional fields; job placement; and then follow-up once students are placed to help them with initial employment problems."

But is it training first, or jobs first? The president of one community college feels that the best strategy is to process participants through HRD, place them in jobs, and then try to plug them into educational opportunities created through continuing education offerings.

However it is done, another college president echoes the feelings of his staff when he argues that a high school diploma and skills training are critical to finding work in the area. "HRD just doesn't give students enough. It only gives them a minimum wage job. Yet it instills in them the incentive to do better than work at minimum wage."

In that last statement is reflected much of what the participants had to say in the interviews, supported by analysis of the statistics. HRD motivates its participants to do more than they know how to do without further help. The connections between the program and the institutions in which it operates are strong here, weak there. Where they are strong, it is possible to see HRD as a feeder program for skills training, the GED, even further academic offerings in the college. Where the connections are weak, the program's staff and the participants are left to their own devices.

The one element that seems most often missing from the picture is that of the private sector. Where the job developer has good contacts, jobs will be available for participants. But rarely does the program draw leading members of the private employer community within its walls; even more rarely are there cases where programs are worked out between HRD, the college, and specific industries to train

and employ skilled workers -- to take the individual who is entering HRD and provide a career plan that begins, right away, with a job.

One president who makes it a practice to bring businessmen and industrial leaders into the college and to "show off" the HRD program concedes that the low level of interaction between HRD and the employing community at large remains a central problem. "We ought to do better at it. It's not enough to find a spot here, a job there. We ought to be developing industrial and business futures for our people. If you want to talk about the long-range impact of HRD, that's where the talk is going to take you..."

* * * * *

What of the impact of HRD on the system of community colleges which adopted it beginning with the Lenoir experiment in 1970? Has the minority-oriented and increasingly female program had an appreciable effect on the racial and sexual composition of the system's total enrollment and faculty?

HRD remains a small program -- approximately 5,000 HRD students were enrolled in HRD in 1978, when full-time enrollment in the system was 59,239. The effects of a program accounting for only around 8 percent of the total enrollment are sure to be modest. Nor is it possible to measure the effects with any exactness short of a longitudinal study tracking HRD participants into other college programs -- a study not incorporated in the work that has gone into this report.

At the same time, there are reasonably precise numbers that may shed some light on the program's impact on the participating institutions. A comparison of full-time enrollment in the system in 1971

and 1978 shows increases in percentages as well as healthy increases in numbers of black and female students in the community college system.

For instance, female participation has grown from 37 percent of a total full-time enrollment of 37,825 in 1971 to 48 percent of a full-time enrollment of 59,239 in 1978. Participation of blacks has grown from 21 percent of full-time enrollment in 1971 to 27 percent in 1978. The percentage of black females has increased from 9 to 14 percent over the same period.

Those increases are modest. Increases in the numbers of women and blacks on community college faculties (available for comparison only between 1976-77 and 1980-81) are equally so. Black faculty representation has increased in that period from 8 percent (338) of the total faculty to 9 percent (446) of the total. Overall female faculty participation has increased from 37 percent (1,639) to 40 percent (1,893).

We talked with Dr. I. E. Ready, who administered the community college system during the period in which HRD was being introduced at Lenoir, and with Dr. Ben Fountain, who took over on Dr. Ready's retirement in 1970. We asked them to comment on the numbers above, and we asked the additional question: Has HRD had an impact on the community college system beyond what those numbers show? Portions of their remarks in separate telephone interviews are combined below:

Dr. Fountain: The numbers are not surprising. You have to remember **that the North Carolina community college system** didn't get started until 1963, and never has been **segregated...** So you wouldn't get the increase of minority students or faculty that you might have gotten in other **southern systems...** I wish we had a higher **percentage** of black faculty, but we're competing with both the **traditional** minority colleges and the major **integrated universities** for black staff, and we can't match either of those types of **schools** for salary...

Dr. Ready: It's true that we've been fortunate always to have a certain level of minority enrollment in the schools in the system, although not as much as we would perhaps like... The improvement in numbers of women enrolled is impressive. But I think to measure the real impact of HRD you have to look at what the system has learned that it can do... You know the community college system is an extension of the public school system. It's a promise of two years of additional education for everyone. That's an egalitarian concept and a fundamental tenet of democratic thinking. We say we believe in it, but we don't necessarily. We mouth it. The notion that the hard-core unemployed are just as important as anyone else, and can blossom out and develop to their full potential is one that -- from what I can hear and tell about it -- the community college system really has accepted now. That wasn't so back a dozen years ago. The HRD program is responsible for this change... It's incalculable in its long-term effect...

Dr. Fountain: There was a lot of doubt about the program at first. The faculty of the system was not used to having people who talked rough and who maybe didn't dress neatly on the campus. But the faculty adjusted and they could see a lot of those people change -- they could see the effect of being on a college campus on them. I think we've learned from it that we can bring them in and can help them improve their economic lot. I think we've come closer to really having an open-door policy in the system as a result of HRD.

Finally, we talked with Joe E. Sturdivant, director of the Industry Services Division of the community college system. Sturdivant and Linda Lindsey, state HRD coordinator, were responsible for developing from the original "earnback" concept the allocation formula presently in use for HRD. In a telephone interview with Sturdivant, we asked him to comment on the program's accountability.

Sturdivant: As far as I know, there is not another program like HRD so far as its ability to assess its results is concerned. That's one of the most significant things about the program in my opinion. It has pioneered for employment and training programs a method of self-policing and assessment that really works. I still think it has possibilities for much wider use -- in other states and in the federal government's programs in whatever CETA turns out to be for the future. When I read what Senator Quayle [Senator Dan Quayle of Indiana] said in the papers about program performance being measured by earnings gains, why, that was HRD revisited.

IV. INSIDE HRD: THE PROGRAM

Cameo: June 1981 -- "Out of sight, out of mind..."

Here is an HRD program that seems to have been subsumed under the community college's effort to help dropouts complete their high school equivalency (GED). In the community at large, the program is known for that more than for any intentions it may have of providing jobs.

The program uses traditional recruiting methods -- paid advertising, radio, word-of-mouth. The HRD coordinator doubts the effectiveness of newspaper notices: "Our clients," he says, "don't read the newspaper." He also thinks word-of-mouth results are more negative than positive. He believes "Get your GED and get paid for it" is the message that is being transmitted among families and friends.

The coordinator and the job developer -- the latter also serves as a counselor -- believe the job development function is weak. But they observe that their clients are supposed to get their own jobs. Not surprisingly, relations between the program and the employing community are minimal; it was difficult for the visitor, even with help from program staff, to find an employer who was familiar with HRD and who could point out graduates of the program in his work force.

The college president's view of HRD is mixed. On the positive side, he believes that HRD has given the college a reputation for training people (particularly AFDC recipients) to go to work. On the negative side, he does not like the categorical funding that provides HRD with its support. He also believes that HRD is insignificant to the college as a recruitment device. The dean of continuing education, under whom the program operates, is not supportive of HRD which, he

says, prepares an individual to go out looking for work without real skills. The HRD coordinator believes that the college administration's true attitude toward HRD is "out of sight, out of mind."

Symbolically, perhaps, the program some time ago moved out of the college's main building, where it had been for some years, into another building. Recently, the efficiency index for the HRD program at this school has plunged far below the state average. The coordinator attributes the low EI to staff demoralization, while the O&M instructor points to the recession. Everybody thinks the payment of stipends contributes to the program's declining EI and to what they believe is the community's view of HRD as "a program that pays you to go to school."

Cameo: June 1981 -- "What keeps me working is what you do when you leave this program..."

Here is another HRD program, this one at Wayne Community College. It is lodged administratively under the vice president for instruction; more importantly, it is centrally located on the campus: HRD participants pay student fees, have regular student IDs, use the library, and are as much a part of the school as any other group of students.

The program recruits by maintaining a list of walk-in applicants and keeping track of individuals who applied for but were not accepted in earlier cycles. One or two weeks before the cycle is scheduled to begin, the program advertises on television, radio, and in the newspapers. Recently a local newspaper carried a positive feature on HRD. And then there is word-of-mouth -- friends and family of earlier participants enroll. Forty potential participants showed up for an initial screening meeting for the last cycle.

Staff believe that the HRD program plays an important recruitment role for the college. They would like to see the O&M curriculum made available to all students in the college, possibly as part of general orientation. They would like to see joint enrollment in HRD and college curricular programs. Possibly even an HRD line in the school budget -- although the president, Dr. Clyde Erwin, on reflection, would not favor single-funding FTE for HRD because "other colleges might put all of their funds into college transfer programs, and HRD would just die."

The program tries to build a one-on-one relationship with participants from the first day of each cycle. The former director, P. A. Best, encouraged personal confidences and after-hours chats.

The current director, Jim Ford, used to be the O&M instructor:

It is orientation day and the O&M instructor is talking with a group of participants who are just getting familiar with the feel of the building and the people in it. He is talking about jobs, work, the program's goal. "What keeps me working is what you do when you leave this program," he tells the group. "It costs the government \$700 to train each of you. If you go home and sit, the government loses. Suppose ten of you do that. You think the government is going to take that?"

Later, talking with a visitor, he adds: "I come on differently from the others. Often I'm the only male they can trust and rely on. I get down to their level. I can talk with them about anything."

The program is not indifferent to the individual training needs of its participants. Early in the cycle decisions are made, on the basis of several one-on-one sessions with the full-time job developer, whether each participant is a candidate for a GED, advanced training, or immediate job placement. As each participant becomes placement-ready -- with some it is only three weeks after the program begins,

and with others it is seven weeks or more -- the placement process begins. The job developer, Diane Whitford, has ties with the employer community through organizing forums with employers for community college students and staff as well as the community at large. She establishes herself as an intermediary between the college and the employer; as each participant becomes ready, he or she is directed to pursue at least three jobs a week.

The program has a high completion rate and a high job placement rate -- 89 percent of program graduates in 1980-81 were placed on jobs. A graduate certificate is awarded to any participant who gets a job or enters training, regardless of whether that individual completed the HRD training. Thirty-eight percent of participants are receiving public assistance when they enter the program.

Dr. Erwin is fully supportive of the HRD program. He does not regard it as a panacea, but as the best thing of its kind around. "This program is primarily changing attitudes," he says, "and 70 percent of employers attribute personnel problems to lack of employee motivation." The HRD staff believes that motivation and self-concept can be changed in 10 weeks, and a number of employers who have hired graduates of the program were willing to be listed in agreement. "I'd like to get up on a soap box [about it]," said one, who had hired a half-dozen program participants.

Dr. Erwin proudly presents the recent local newspaper feature story when asked how the program is perceived in the community. "We really do want to get the program sold," he says.

* * * * *

There are no "models" of ideal HRD programs; or at least the 19 field visits carried out under this study turned up none. The program described at the head of this chapter is not quite as negative as it may seem -- it is doing a good job gaining GEDs for its participants, who may show gains in income and self-regard down the road that are not reflected in current annual earnings. The Wayne Community College program seems to focus on high school graduates -- although a high percentage of them are on public assistance -- to the disadvantage of dropouts, and so may not reach as deep for needy participants as some other programs do.

It should be observed here as well that many more programs do some of the "good" things that Wayne does than do negative things -- if that were not the case, the statewide EI would not be holding up so well and the ratio of placements to enrollments would not be increasing. Then, too, it becomes increasingly clear that the economy presents more of a threat to the continued success of HRD than do programmatic shortcomings here and there.

But once that is said, the fact remains that the two programs described are real, not composites at all; the descriptions of them here are not an attempt to flatter one or to embarrass the other, but rather to reflect the way they described themselves in two-day visits involving more than a dozen interviews at each location. The value of the descriptions is that **they** identify specific issues -- whether to use stipends, and, if so, how, for instance -- and suggest good and **not-so-good ways** of performing the functions that all HRD programs perform.

In discussing program strengths and weaknesses on the basis of the field visits and the seven regional meetings of HRD personnel, we have chosen to write under the heading of specific issues rather than to devote individual sections to each programmatic function. Instead of writing under the heading of "recruiting," for example -- describing the various ways in which that function is performed -- we have chosen to discuss the recruiting function under the larger heading of "Staffing," in which we discuss a number of issues that arise from various ways of organizing and employing HRD staff. In order, the issues we will treat are: Program Philosophy and Goals; Staffing; Stipends; Institutional Support and Program Integration; Linkages; Follow-up; and Employer and Public Relations.

Program Philosophy and Goals

Two fundamental questions face each community college and technical institute that operates an HRD program: What target group should the program serve, and what should the goals of the program be? Once those questions are answered, decisions about program design and operating strategies start to fall into place. The answers do not come easily, however, even though there is an "official" system-wide statement on program objectives and target group:

HRD's objective is to reduce public assistance payments, unemployment, and underemployment by making it possible for the chronically unemployed to become and remain productive employees.

(1980-81 HRD Performance Summary)

Because of the high degree of autonomy enjoyed by each local institution in the system, each school can exercise considerable flexibility in deciding who constitute the "chronically unemployed"

and how best to improve their economic condition. The only significant requirement placed on local HRD programs is that they generate a positive EI. That can be a very persuasive constraint; yet, as we shall see, the workings of the EI do not prescribe the selection of any one set of program activities over any other.

Decisions on the group to be served can be tough ones. Some schools -- Tri-County Community College, for example -- follow the open-door philosophy of the community college system and allow anyone over 18 years of age to enroll. Obviously, that policy leads to the question of whether Tri-County is actually serving the chronically unemployed. Program staff members believe they are, for the most part; they point out that, since the program offers no stipends, it also offers little else that would be of interest to persons who already have good employment situations. So long as the EI shows healthy gains in participant earnings and reductions in public assistance, staff are confident that their program is meeting the state's objectives.

The open-door policy, of course, carries with it certain operational drawbacks. Under it, for example, a HRD program might enroll barely literate adults in the same cycle as advanced readers, making it difficult to instruct either group effectively. There is also the possibility, especially in stipended programs, that persons who are not really interested in working will enroll. Staff from programs such as the ones at Nash Technical Institute and Johnston Technical Institute believe they can provide better services and generate higher EIs by exercising more control over who comes into the program. Both of those institutions screen applicants for reading and math skills and turn down those who do not meet program standards.

Most programs state that they attempt to serve "the hard-core unemployed." To some, that has come to be synonymous with persons who meet CETA eligibility criteria. At Pitt Community College, for example, the program coordinator states that HRD's goal is to "take the hard-core unemployed, get them to see themselves as contributing members of society and, then, act like ones." In 1980-81, 88 percent of Pitt's enrollees met CETA eligibility standards. At other schools -- McDowell, Mayland, Gaston, Johnston, Piedmont, Vance-Granville, Halifax, Martin, and Roanoke-Chowan -- 97 percent or more of the 1980-81 enrollees met CETA eligibility standards.

Serving primarily CETA eligibles can be troublesome, however. Programs using CETA eligibility criteria usually do so to enable participants to receive full or partial stipends. But as a result of accepting CETA support, some programs have found it necessary to modify their program goals to fit those of CETA. Those modifications can have a negative impact on HRD funding and on programmatic successes.

Gaston College affords a good example of the interplay that can accompany CETA/HRD linkages. The following is from MDC's case study report on Gaston:

Four years ago, the HRD program received its first CETA contract, marking a change in program orientation from one which offered human resources development training to those aged 18 and over, to one which offered basic education and HRD training to 16- to 21-year-old high school dropouts... The Gaston College HRD program has experienced a three-year decline in both the real and funding EI. HRD staff attribute this decline to the changes the program underwent when the college began contracting with CETA. They now serve a younger clientele and one with more pronounced problems. Job placement rates have suffered because of the difficulty associated with placing 16- to 17-year-olds in jobs; many in that age group can be expected to go on to further schooling, another factor contributing to low placement rates. The second

reason pertains to the question of welfare status. The HRD program cannot claim credit for a 16- to 17-year-old on welfare in the EI formula because technically the family is on welfare, not the dependent child.

Some programs target services to public assistance recipients as a way of serving "the truly needy" or "the hard-core unemployed." Public assistance recipients accounted for over half of all enrollments at four institutions in 1980-81 -- Rowan Technical College, Richmond Technical Institute, Halifax Community College, and Cape Fear Technical Institute. Moreover, Davidson Community College expects to serve public assistance recipients exclusively in 1982. Many program coordinators believe, however, that public assistance recipients, and AFDC mothers in particular, are the toughest group to place and keep in jobs. Program data tend to support that view. In 1980-81, for example, public assistance recipients were less likely than other participants to be job-placed at exit (25.7 percent for public assistance recipients vs. 28.8 percent for others), and less likely to have earnings over \$5,000 at the 12-month follow-up (20.9 percent vs. 25.9 percent). The EI rewards programs that are successful at overcoming the problems of public assistance recipients, yet all four of the programs that targeted heavily on public assistance recipients in 1980-81 achieved below average real and funding EIs. The extent to which factors other than the high participation rate of public assistance recipients contributed to the low EIs is hard to determine. One program has had severe staffing shortages that might also have affected its EI. One other program, however, clearly encountered difficulties in realizing public assistance reductions as evidenced by its negative public assistance reduction total.

Some programs target particular cycles to groups with specific needs or problems. Southwestern, Haywood, Maryland, and others run special cycles for youth participating in summer CETA programs. Stanly, Gaston, and others have experimented with pre-release classes for inmates. Wayne emphasizes the enrollment of migrant and seasonal farmworkers in the winter months. Many of the special-purpose cycles have positive impacts on the EI. Summer youth enrollees, for example, usually enter the program with no earnings, so they almost always show earnings improvements on follow-up reports. The same holds true for pre-release inmates, provided they are released shortly after completing HRD training. Summer cycles for CETA youth also help to make up for the enrollment lag many programs experience in the summer, when seasonal jobs or child-care responsibilities tend to keep potential participants away from HRD.

Every institution which follows a policy other than that of the completely open door ultimately wrestles with the issue of what degree of motivation applicants must exhibit in order to be selected for enrollment. Some program staff argue that it is foolhardy to enroll applicants who show little or no ambition and motivation: "How can HRD turn around 25 or more years of bad attitudes toward work in just 8 weeks of time?" they ask. Others argue that instilling motivation is the whole point of HRD. One college president stated that the purpose of his HRD program was "... to take people who never worked, never planned to work or never wanted to work and motivate them for jobs." Another staffer, a job developer said: "Most of our people come expecting to get their GEDs, not to get jobs. After we get them

hooked, say half way through the program, we start motivating them to find jobs."

* * * * *

Determining the ultimate goal of a local program is no less complex than deciding on the group to be served. The EI rewards programs that find jobs or vocational placements for participants, for example, but some program administrators believe it also should be altered to encourage participants to continue their academic education through enrollment in GED or high school completion programs. "Education is the only way to break out of poverty," as one HRD staff member put it. B Indeed, a number of the HRD programs included in the site visits were better known in their communities as GED programs than as prevocational training programs. The amount of emphasis the several programs place on academic skills (versus job-related skills) varies widely. One program no longer offers a remedial educational component at all. Almost all of the others, however, offer GED preparatory courses or adult basic education.

Central Piedmont Community College and Johnston Technical Institute personnel go even further: They do not believe that a GED is good enough in the present day. Charlotte and Smithfield employers, they argue, look for regular high school diplomas, not GEDs. As a result of that belief, the Johnston program provides 56 hours of high school English and another 56 hours of high school mathematics to give HRD participants a start toward qualifying for a high school completion certificate. Program completers are then counseled to follow HRD with

56 hours each of high school science and history to complete the high school curriculum. Central Piedmont follows a similar policy by requiring HRD participants to enroll concurrently in its high school completion program.

In many programs, there is a growing belief that entry-level employment is no longer an appropriate goal for HRD, especially for welfare recipients who have to sacrifice medical and other sorts of support when they accept such jobs. A staff member observes:

The goal of HRD is to get people off welfare and to keep them off welfare... and the only way they'll do that is to get jobs they like which pay enough to support a family.

Other program staffs believe the program needs the flexibility of emphasizing job placements during tight labor market periods and emphasizing training placements when the labor market is soft. UI follow-up and participant survey data reviewed in Chapter III tend to support the argument that HRD without skills training is of limited utility. Table IV-1 indicates that skills training after HRD can be a more profitable alternative in the long run than immediate job placement after HRD. One year after finishing HRD, the completers who were training-placed at program exit in 1978-79 were realizing an average annual earnings gain of only \$274.60. Completers placed directly in jobs, on the other hand, were showing **average** annual earnings gains of \$2,670.67 -- nearly ten times as much. Three years later, however, the **average** annual earnings of training-placed completers had surpassed the **average** annual earnings of the job-placed completers by 15.9 percent. Furthermore, the training-placed group realized significantly higher average earnings gains compared to the

year before their HRD participation -- \$2,750.11, compared to \$1,925.24 for the job-placed group.

In Chapter I, we pointed out that 1978-79 was an atypical year for HRD because UI rates were low and placement rates were high. The 3-year follow-up data suggest that those participants who opted for the immediate job placement in the favorable labor market of 1978-79 lost their economic advantage over training-placed participants in the recessionary year of 1980-81.

Table IV-1
Long-Term Earnings Gains of HRD Completers
Performance Year 1978-79 HRD Follow-up Sample

	Annual Ave. Pre-Program Earnings	Annual Ave. Post-Program Earnings	Annual Ave. Earnings Gains	% Gain	3-Year Follow-up Earnings	Earnings Gain Since 78-79	% Increase Since 78-79
Completers Job-Placed at Exit	\$1345.16 (n=307)	\$4287.37 (n=297)	\$2670.67 (n=297)	98.5%	\$3307.01 (n=218)	\$1925.24 (n=218)	143.1%
Completers Training-Placed at Exit	\$ 900.63 (n=89)	\$1606.27 (n=89)	\$ 274.60 (n=89)	-69.5	\$3822.26 (n=57)	\$2750.11 (n=57)	305.3
Completers	\$ 873.89 (n=419)	\$1728.49 (n=403)	\$ 811.55 (n=403)	-7.1	\$3298.25 (n=287)	\$2367.37 (n=287)	270.9

Source: UI Data Tapes and HRD Data Tape for Performance Year 1978-79.

Staffing

Making HRD work is often a matter of hiring the right staff. One administrator argues that success in the HRD program, more than in any other college program, is a matter of personnel:

A shop teacher can be relatively impersonal. He can get by on facts and skills. An HRD teacher has to be inspirational, and that's not a quality always easy to find. HRD is a very personal thing and you need people who relate to others easily.

A second adds:

It takes a great deal of staff effort to make the program work. They have ~~more~~ problems than a centipede with bunions... It's a salesman's, counselor's, and minister's job as much as a teacher's job... Employers may look [only] at how much more an applicant has to learn [to be a good employee]... They don't realize how far some of these people have come.

Some programs have benefited from several consecutive years of service from highly dedicated and competent staff. In a few places, the names of one or more of the staff members are synonymous with the name of the program itself. Grace Woody at Haywood, Marion Michalove at Isothermal, Joyce Dale at Gaston, and P. A. Best at Wayne are a few of those veterans who have had the energy and the determination to make their programs work. When professionals such as those establish a reputation in the community, the payoff to the program can be significant.

The interviewer asks the participant from three years ago: "Why did you enroll in HRD?" "Because I knew Grace Woody," was the answer. "I knew anything she was involved in had to be good. I didn't know she'd talk me into going to work. I just thought I'd work on my GED." Another interview, this time with an employer of 9 former HRD participants: "How did you get involved with HRD and why have you hired

so many graduates?" "The coordinator and I are on a community advisory committee," he said. "I knew she was a hard worker and I trusted her when she said she could send me good employees. I haven't been disappointed."

There are cases in which the hiring of specific staff members has been credited by program administration with turning the program around. Officials at Edgecombe Technical College, for example, admitted that, when the HRD program started there, it was poorly regarded and considered ineffective. The turnaround began, they agree, with the hiring of Barbara Boney as coordinator-job developer. Charles McIntyre, Edgecombe's president, counts himself today as a supporter of the program, but admits he did not always feel so good about it.

There are other cases in which the poor performance of staff was used as justification for termination of the HRD program. A number of administrators from schools that no longer offer the HRD program admitted that personnel problems had contributed significantly to their decision to drop the HRD program. At Sampson, for instance, where an intensive year-long effort was made to restore satisfactory program performance, the program was ultimately dropped because "... in short, the staff lacked the dedication they had had in earlier years."

Modest program appropriations have kept most HRD staffs small. In 1975-76, the average program allocation was \$46,761 (see Table IV-2). By 1980-81, the average had climbed only to \$56,676. For many years, therefore, HRD staff members have taken on double or even triple functional responsibilities. When possible, local programs have also looked to other college departments or community agencies to lend a hand.

The need for doubling up on functional responsibilities has been handled better by some staffs than by others. The more successful programs have matched staff interests and capabilities with staff assignments more wisely than other programs. Some, such as Fayetteville and Edgecombe, have benefited from the services of other institutional personnel -- vocational counselors and administrators. Others -- Johnston, for example -- have added staff members by using funds from CETA.

It can be difficult to find two, three, or four persons who among them possess the range of talents required by the multiple and diverse functions of HRD, not to mention the energy to carry out the functions. The following is an excerpt from MDC's case study of the Mayland program:

The current HRD coordinator and job developer joined the program one-and-a-half years ago, when there was a complete staff turnover. While they have not reached the "burnout" stage yet, they may be close. For the past year, both of them have been teaching HRD classes in addition to doing recruitment, job development, follow-up, planning, public relations, and CETA liaison work. To top this off, they have taken on duties that would never show up in their job descriptions. Last year, for instance, after unsuccessfully seeking donations from local industry, the coordinator acquired a trailer to use for much needed classroom space. The trailer was located in Raleigh, and the staff had to go there, unhook it, move it to Spruce Pine, and renovate the interior. They tell stories of staying at school late in the evening, digging ditches in the mud to hook up the trailer.

Although local programs have become accustomed, if reluctantly so, to such staffing situations, many programs experienced an additional strain in 1980-81. In that year, average staff size dropped from 5.2 to 4.6 members. System-wide, the number of full-time personnel fell from 182 to 161 (a 10.4 percent decline), and the number of part-time

staff dropped from 62 to 49 (a 21.0 percent decline). Those figures include personnel supported totally by HRD funds as well as those supported in part or wholly from other funding sources.

Several factors seem to figure in the staffing decline. Since the average HRD allocation per program increased by 12.5 percent in 1980-81, some of the decline may be a result of cutbacks in outside funding support. Unfortunately, we can only speculate on the magnitude of that possibility, since administrative costs met from extra-HRD resources have never been documented. It is also likely that local programs were unable to overcome six years of combined inflation and only modest funding gains with just a single year of substantially increased HRD resources. Another possibility is that some programs deliberately cut back staff expenditures to avoid running into EI problems during a year of unpromising economic conditions.

More worrisome than the possible causes for the decline in staff resources, however, is the potential impact of that decline on both the quantity and quality of participant services. Enrollments declined in 1980-81, but only by 1.8 percent from the previous year. The number of graduates receiving follow-up services declined more significantly -- by 12.6 percent. Another way of looking at the matter: In 1980-81, HRD "touched" 8,741 enrollees and graduates. That was only a 7.2 percent decline from the previous year, when the program served a total of 9,423 enrollees and graduates.

With service levels down -- though not as significantly as might have been expected from the severity of the staffing cuts -- one is left to ponder whether staff were able to maintain the earlier quality

of services offered. The EI suggests that the economic performance of graduates was off in 1980-81; but then so, too, was the economy. Ironically, just when the program needed to work as hard and as efficiently as it could to overcome the economic difficulties of 1980-81, it suffered one of its greatest staffing cuts.

Table IV-2

Average Annual HRD Allocations

Fiscal Years 1975-76 through 1980-81

Fiscal Year	Statewide Appropriation	Number of Programs	Average Amount of Money Available to Each Program
1975-76	\$2,151,000	46	\$46,761
1976-77	2,151,000	47	45,766
1977-78	2,151,000	48	44,813
1978-79	2,273,027	47	38,362
1979-80	2,366,795	47	50,357
1980-81	2,607,167	46	56,676

Source: HRD Performance Summary 1980-81.

Stipends

The issue of whether HRD participants should receive stipends while in training is as difficult as any the program confronts. So long as stipend money is available -- availability is another serious issue -- programs will be found which swear that they would "die" without stipends, and others will testify that they are alive and well only because they do not pay them.

While the issue is not strictly regional, programs in the western part of the state typically have awarded stipends, arguing that the long distances participants have to travel require compensation. Apart from the issue of the participants' "need" for stipends, the strongest pro-stipend argument is that the program would not be able to reach the truly disadvantaged without stipends -- "really poor people can't afford to come to school" unless they are enabled to afford transportation, child care, etc.

On the other side of the issue, institutions that do not pay stipends, and some few that do, maintain that stipends are an invitation to "free riders" or "stipend hunters," individuals who have no intention of holding employment but wish to use the stipend income for as long as they can stay in the program. The pro-stipend programs have argued that the solution to that problem is simply a matter of good screening.

What the pro-stipend advocates often are willing to admit, however, is that the stipends can be a problem when HRD participants are receiving more in support during the program than they can expect to receive in jobs afterwards. The Caldwell program, for instance, which pays stipends to 85 percent of its participants, believes that it is successful in screening out those who are not serious about jobs, but

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still worries about the amount of money offered in stipends. In many cases, staff members report, students leave the program to take minimum wage jobs from which they clear less money (after deductions) than they were getting in training. That tends to dash the students' expectations, to "de-motivate" them with respect to work, and to raise questions about whether HRD really is an advantage. Staff members reportedly would prefer lower stipend levels.

No stipends at all, however, can make recruitment difficult, particularly where the HRD program is seen as being in competition for participants. Tri-County considers recruitment its chief program weakness, with program enrollments dropping from 69 in fiscal 1979 to 49 in fiscal 1980 and continuing to decline in fiscal 1981. Still, Tri-County HRD has maintained above average completion and placement rates and an EI that has surpassed the state average more often than not.

Would that small western HRD program be more cost-effective if it paid stipends? Probably not. But is it performing at a level somewhat below that at which it would like to be as a result of not paying stipends? It is a question that concerns program staff. When MDC visited the program in June 1981, efforts were on the drawing board to improve the recruiting effort.

Another good, high-performance program -- the one at Haywood -- attributes its success to a compromise that deserves close consideration. Haywood provides only transportation and lunch allowances rather than full CETA stipends. The result, staff members believe, is a more highly motivated student and a smaller denominator for computing the

EI. At the time of MDC's visit in June of 1981, the program was concerned about being unable to continue because of new CETA balance-of-state policy requiring that basic and incentive allowances be provided by programs like Haywood using 6 percent funds.

But it is the shrinking availability of CETA funds and the threat that federal support for employment and training programs will suffer further declines or disappear altogether that worry most programs that have been using stipends. Once that kind and level of support have been offered, they may be difficult -- staffers fear -- to withdraw. One HRD coordinator in a regional meeting talked about losing 15 of an original class of 21 the first time his program attempted to operate without stipends. But at the same meeting, another coordinator whose program had made the switch to no stipend payments said that the program had operated far more effectively and successfully, even in the first year.

From the regional meetings and visits, it would appear that there is increasing sentiment for at least reducing stipend or other support payments while participants are in training.

"It's a matter of getting the participant to buy into the program," the veteran HRD coordinator says. "If it's a bit of a pinch to come, that person's got an investment of her time, her money. She's going to take that program pretty personal, do her best to succeed. And we think that our non-stipended students do better out there than the others..."

There are several ways of looking at the question of whether stipends "pay." One is by looking at the programs that are most successful in terms of EI to determine whether they pay stipends. From that viewpoint, the non-stipended programs would appear to justify their

policies. If all the HRD programs in the state are divided into thirds, with a top third, a middle third, and a bottom third in terms of success with EI, the following comparisons result for fiscal 1980-81:

Percent of stipended programs in the:

Top third by EI:	50.8 percent
Middle third by EI:	63.5 percent
Bottom third by EI:	82 percent

Average total spending on stipends, stipended programs in the:

Top third by EI:	\$ 16,007
Middle third by EI:	\$ 31,744
Bottom third by EI:	\$ 38,179

This shows that the programs that spent the most money on stipends in 1980-81 were those that ranked poorly on the EI. It is not clear whether there is a cause and effect relationship between stipends and poorer performance on EI, but it is clear that stipends inflate HRD costs and thus have a definite bearing on the determination of EI.

A program paying stipends and perhaps suffering for it on the EI could argue that that test of program efficiency is a poor one. The question is not whether the program does better because it pays stipends -- it could be argued -- but whether the participants do better because they receive stipends.

That question cannot be answered in the absolute, since there is no way to know whether Applicant A might have been left out of a non-stipended program because of a lack of transportation, or whether Applicant B was enrolled in a stipended program because he could purchase transportation with his stipend. At the same time, the study did attempt to look at stipended and non-stipended participants over a five-year period (Tables IV-3 and IV-4) in an effort to make some general comparisons.

Table IV-3

Exit Status of Stipended and Non-Stipended Students
Performance Years 1976-77, 1978-79, and 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
<u>Stipended Participants</u>			
Job-placed completers	12.3%	12.7%	9.8%
Training-placed completers	8.5%	9.2	10.2
Other completers, not placed	44.9	43.4	51.6
Subtotal	65.7	65.3	71.6
Early leavers, job-placed	10.5	15.9	9.5
Other terminations	23.8 (N=3164)	18.8 (N=3353)	19.0 (N=2659)
<u>Non-Stipended Participants</u>			
Job-placed completers	12.2	11.3	8.2
Training-placed completers	38.5	8.5	5.5
Other completers, not placed	27.7	39.0	37.8
Subtotal	78.4	58.8	51.5
Early leavers, job-placed	6.8	15.3	17.2
Other terminations	14.8 (N=356)	26.0 (N=951)	31.2 (N=1052)

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978, and 1980-81.

Table IV-4
Earnings of Stipended and Non-Stipended Students
Performance Years 1976-77 through 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
Stipended Students			
Annual Pre-program Earnings	\$ 987.80 (N=3164)	\$1059.13 (N=3353)	\$1122.31 (N=2659)
Annual Post-program Earnings	1823.04	2581.44	2314.03
Average Earnings Gains	836.92 (N=1724)	1568.18 (N=2189)	1152.25 (N=1635)
Non-stipended Students			
Annual Pre-program Earnings	1255.67 (N=356)	1631.08 (N=951)	1267.40 (N=1052)
Annual Post-program Earnings	1962.91	2137.60	\$2615.13
Average Earnings Gains	933.29 (N=98)	561.02 (N=325)	1312.95 (N=622)

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, and 1980-81.

Generally, stipended participants have completed the program at a higher rate than have non-stipended participants. In 1980, for instance, 71.6 percent of stipended participants completed the program, while only 51.5 percent of non-stipended participants did so.

Completion of the program, of course, could be taken as a confirmation of the charge that many stipended students are in the program merely to collect the stipends. To collect as much as possible, they have to finish the program. But when we look at the 1980-81 comparisons of placement rates (training and jobs) between stipended and non-stipended students, a different picture emerges. At program exit, non-stipended students had a 30.9 percent placement rate (job-placed completers plus training-placed completers plus job-placed early leavers) compared to a 29.5 percent rate for stipended students. Interestingly, a relatively high proportion of non-stipended students (17.2 percent) were job-placed before they completed the program, which suggests that the lack of support payments may have spurred them to seek work more aggressively. (It should be noted that placement statistics at the time of program exit are usually low, since much of job placement work takes place in the weeks following completion of a cycle.)

A more informative comparison of stipended and non-stipended participants is perhaps that involving average pre-program earnings, post-program earnings, and earnings gains. In 1980-81, those figures looked like this:

Stipended Participants		Non-stipended Participants	
Pre-program earnings:	\$ 1,122.31	Pre-program earnings:	\$ 1,267.40
Post-program earnings:	\$ 2,314.03	Post-program earnings:	\$ 2,615.13
Earnings gains:	\$ 1,152.25 ^{1/}	Earnings gains:	\$ 1,312.95 ^{1/}

The difference in average pre-program annual earnings between stipended and non-stipended participants is not great, although the stipended students did earn less money. The improvement in earnings a year later is also scarcely dramatic, although by that time the non-stipended students come out better than ~~their~~ stipended brothers and sisters. While the figures hardly represent conclusive evidence, they suggest that non-stipended participants do at least as well as stipended students, if not better, in the year after program completion.

^{1/} For apparent discrepancy in earnings gains figures, please see note on page 45.

Institutional Support and Program Integration

What the visitor sees -- or does not see -- when he or she gets to the campus of a community college or technical institute can tell a lot about how highly the HRD program is regarded. If the program is visible in a positive way -- if, for example, it is housed in a main building -- there is every likelihood that it has the administration's support. If it is in a deteriorating or temporary building, chances are it is merely being tolerated by the administration. If it is not even in sight...

On the question of HRD's relationship with the college, the dean of continuing education notes that HRD students are isolated from the campus and do not have the opportunity of mingling with the student body. Outside the continuing education department, only 10 percent of the faculty would have any knowledge of the HRD concept. Even in the continuing education department, few faculty members have a clear understanding of the program. And what impact might the HRD students themselves have on the college, the dean is asked? "Very little" is the reply; "not a great number of them go on to college."

Again, there are always exceptions. Neglect can be benign. A program that is ignored by a hands-off administration may achieve success simply because it is free to do what it wished to, or what the HRD coordinator wants it to. Now and then, an off-campus program really does have the support of the administration -- the program at Guilford Tech in downtown Greensboro is one example -- and does well despite its remoteness from the campus.

But the correlation between successful programs and the degree to which they are "visible" on the campus and in the community is quite firm. Here is a passage from a site visit summary that illustrates that point:

In general the HRD students do not feel a part of the larger student body. HRD training occurs off campus, there are no student fees, and staff have even been asked not to send HRD students to campus events. HRD staff find that many faculty think the HRD students don't fit in with the other students -- 'they don't dress as well and they talk louder.' Staff hope that the students will become more integrated into the student body after the program moves onto the main campus. The coordinator believes that the move will result in better retention of HRD students and in increased enrollments of HRD students in other college programs.

In the better programs -- those in which the EI is stable or improving -- there is a strong tendency for the HRD students to "go on to college" afterwards. A key question asked of deans and presidents was whether the HRD program served in any way as a recruiting locus for other college programs. There were exceptions, but, in general, the administrators who answered that question positively had the better HRD programs. Was their attitude responsible for the high quality of the program, or was the program, perhaps, responsible for their attitude?

"I think it begins at the top," says one administrator. "It comes down to whether we think that the program is important or not. We've got the power to make the changes necessary if we believe in the program."

Where there is a positive attitude on the part of top administration, it seems to affect in a positive way the HRD program at large and the individual participants as well. The effect of top-level support on HRD is most visible, however, in on-campus situations. There appears to be a relationship between the payment of student fees and the success of the program on campus. The fees permit the HRD students to use the college fully, and that, in turn, encourages linkages with other college programs. At Johnston Tech, to choose only one example,

HRD enrollees pay an \$8 fee entitling them to avail themselves of all school offerings, and they do participate in those activities, including filling up to 20 percent of the openings in the institution's high school completion program.

It is possible for a HRD program to be successful without the active, full support of the community college president, particularly if the dean to whom the program reports is sympathetic; but the overwhelming evidence suggests that the program tends to succeed to the extent that the institution's top administrator understands it, sympathizes with its goals, and actively supports it on campus and in the community.

Again, a number of examples might be cited. One will do for purposes of this report, taken from one of MDC's site visit summaries:

The HRD program is well integrated into Mayland Technical Institute. The college is relatively small and HRD seems to be fairly visible. HRD staff have offices in the same area as other college administrators, and the HRD program is described in Mayland's slide shows and literature. Although HRD students do not pay an activity fee, they can participate in college social events, use the library, and take advantage of specialized services such as psychological counseling and testing. In addition, HRD staff frequently draw on Mayland's resources as needed -- the learning lab director gives advice on purchasing instructional materials, the president participates in mock interview sessions, and faculty sometimes teach classes on special subjects. (During the site visit, for example, a math professor volunteered to work with a small group of HRD students who needed help with geometry.) Undoubtedly HRD's good relationship with the college is due partly to the attitude of the president, Dr. O. M. Blake, Jr. Having worked in the community college system for years, he remembers when HRD was first tested at Lenoir Community College and has a good understanding of what the program is about... He provides both moral and administrative support for HRD and sums his role with: "I feel the program is important and the HRD staff knows this." The greatest benefit that HRD brings to the college, he and his staff agree, is in introducing people to Mayland Tech who would not otherwise use the college's services. Whether they

enroll in a curriculum program or come back to the college for 'lifelong education,' both the students and the college have gained something.

The idea that the HRD program -- its staff and its participants -- have something to offer the community colleges, as well as the other way around, is one that has begun to gain adherents in recent years. The emphasis on motivational and self-awareness factors in HRD has been recognized increasingly as being of potential value for everyone, not just disadvantaged individuals. A number of North Carolina's participating community colleges and technical institutes involved in this study raised that point. At least two institutions -- Rockingham and Wayne -- have been giving serious consideration to making HRD available to all students.

Linkages

A particular system-wide strength of the HRD program lies in the linkages it has developed with community agencies. Virtually every local program has established informal linkages with the Department of Social Services, and seventy-five percent of the programs also work with ESC and Vocational Rehabilitation. Additionally, 70 percent of the programs have financial relationships with CETA involving stipends or administrative funds. The strengths of the linkages vary from program site to site, but the linkages are generally strongest with DSS, which frequently serves as a recruiting base, supportive services resource (day-care assistance, primarily), and source of information on AFDC and food stamp assistance.

The trend toward interagency linkages has profited HRD in a number of ways. CETA has contributed \$8 million to the HRD program since 1975,

and it has also furnished public service job placements and skills training placements. DSS and ESC have become key referral resources; VR and other local health and mental health agencies have become sources of special services support, furnishing rehabilitative aids, health examinations, and family and alcohol-abuse counseling. In some areas, ESC has placed a sizable number of HRD graduates in jobs.

Most of the cooperating agencies pitch in with HRD to help fulfill their own program objectives. And as public agencies, they must make their services available to the population served by HRD. In some instances, however, means have been found for making the exchange of favors between HRD and cooperating agencies more meaningful. Some HRD programs, for example, ensure that ESC gets credit for all job placements by sending every student to register at ESC and by informing ESC whenever a student enters a job. Similarly, some HRD programs make it a point to advise DSS of all job placements, so that adjustments in public assistance payments can be made in a more timely fashion. That sort of exchange is especially beneficial to the HRD programs: the sooner graduates are removed from the AFDC and food stamp rolls, or the sooner their benefits are reduced, the better the follow-up reports, and thus the EI, will be. Several HRD coordinators noted that before they started advising DSS of placements, the Department might take up to three months (or once in a while, six months) to adjust affected levels of public assistance.

HRD programs have had varying degrees of success in working with the WIN program. Some programs formerly taught the O&M component of WIN training and then used the 12-month follow-up period to help the

dually enrolled WIN clients find suitable employment. In Fayetteville, to cite one instance, that type of cooperative arrangement greatly benefited both WIN and HRD. The local WIN program, which had limited space, found HRD to be both a good provider of O&M instruction and a good source of job leads. HRD, in its turn, gained a steady source of recruits, additional placement assistance, and concomitant payoffs in terms of EI. Fayetteville HRD staff members believe the WIN arrangement was a major factor in their compiling a funding EI of 13.517 in FY 1979-80.

At the regional meetings of HRD coordinators, CETA was both praised and cursed -- often by the same coordinator. Most coordinators were grateful for the fiscal support provided by CETA and approved the fact that administrative expenditures met with CETA funds are overlooked in the EI computations. Many also felt, however, that CETA requires too much paperwork and demands outcomes that can jeopardize the HRD program's EI performance.

At first CETA seemed to be a good deal, providing a way to fund special projects, give stipends and even buy equipment. Now it's more trouble than it's worth.

. . .

CETA encourages HRD to cream by requiring that 80 percent of all terminations be placed in 90 days. A requirement that 80 percent of all completers be placed is reasonable for our target group, but 80 percent of all terminations is not.

. . .

CETA wants you to enroll the ones they think are the neediest -- the ones without day-care or transportation or job skills. But if they can't get to work and can't get child care, they won't generate income increases for the EI.

Coordinators of some of the smaller programs feel locked into CETA linkages now and wonder how they will keep going when CETA support is reduced or eliminated:

If the state had been supporting HRD like it should have, we wouldn't have been enticed into CETA contracts. Now we have a crisis on our hands.

Follow-up

Without doubt one of the greatest strengths of the HRD program is its emphasis on follow-up. Most employment and training programs have follow-up periods of up to ninety days, during which time both the client and program staff seek a positive placement -- a job, entrance into a vocational training program, enrollment in a two- or four-year college program, enlistment in the military, or the like. HRD, on the other hand, extends follow-up through 12 months and focuses its services on placement in jobs or vocational training.

The extended period of HRD's follow-up permits more job coaching and vocational counseling than most employment and training programs allow and helps to sustain the positive effects of the classroom training. Local programs are required to submit reports of participant progress at three-, six-, and twelve-month intervals after HRD training. However, some programs make more frequent contacts with participants to help increase chances for success. Isothermal and Southeastern, for example, call on all graduates during their first week of job or training placements to see how things are going. Nash Technical Institute tries to get in touch with recent graduates each month. Cape Fear conducts a nine-month follow-up to minimize the chances of losing

track of participants between the six-month and twelve-month efforts and to help assure that the twelve-month report -- the Big Payoff -- will be a positive one. One more: In 1980-81, Craven convened a series of two-hour group counseling sessions for participants who were still unemployed several months after graduation. The sessions were designed to uncover the reasons for unemployment and to provide additional counseling and job-hunting advice.

HRD coordinators estimate that 11.7 percent of program staff time is devoted to formal follow-up activities. But follow-up also goes on informally and at unscheduled times: Graduates drop in to chat or inquire about job leads, staff members see former students at the market or at church, job developers trying to place enrollees at a factory run into earlier HRD graduates who work there. As often as not, informal follow-up meetings of that sort involve graduates who are well beyond the 12-month follow-up limit.

Despite the skill of individual HRD programs in staying in touch with former participants, the HRD follow-up reporting system (which provides the data base for EI computations) has some built-in weaknesses. One drawback is that local programs are given a good deal of latitude in deciding on whom they submit follow-up reports. The governing state policy is that programs must attempt to follow-up on all program completers; follow-up reports on noncompleters are optional. Local programs have the option of submitting follow-up reports for any or all noncompleters. Table IV-5 shows that in the last two years programs have been submitting follow-up reports for about 10 percent more participants than state policy requires. At least ten

programs (and perhaps as many as 20) submit follow-up reports for all enrollees -- completers and noncompleters. Most of the rest submit reports for graduates and the most promising noncompleters.

One coordinator thought the rather loose policy regarding inclusion of noncompleters in follow-up was a mistake: "We don't believe it's right to count the gains of noncompleters in the EI. It hurts us, but we don't submit follow-up reports for noncompleters even if the reports are positive." Other coordinators would argue that it is unfair to exclude the gains of participants who leave HRD a few days early to take advantage of a job or training opportunity. There is always the risk that the additional follow-up reports will hurt a program's EI, too, since once follow-up is started for any participant, it must be carried through the twelve-month period. And there is a lot to be said for programs that use follow-up reporting as a means of providing job tips or vocational counseling even to those participants who washed out of the program.

There is merit, then, on both sides of the debate. Still, the HRD program as a whole would be better off if the local programs followed a standard policy for follow-up reporting.

A second weakness in the reporting system involves the manner in which follow-up data are collected and validated. Local programs use a variety of follow-up techniques. One school relies almost exclusively on telephone contacts, while another tries to collect the data at participants' job sites. Usually some combination of follow-up by mail, telephone, and home visits is used, although many coordinators could truthfully say, as one did: "We try everything imaginable to get the data."

The ability to produce good follow-up data varies from program to program. A few programs can afford a full-time follow-up officer, while others rotate the responsibility or divide it among all staff members. Small programs with only part-time staff often have to resort to conducting follow-up during "free" time at night or on the weekends. Some programs will go so far as making out-of-state telephone calls to collect follow-up data, but others feel they cannot justify the expense of that practice. Finally, some programs attempt to validate follow-up data by checking DSS records of public assistance, by asking to see paycheck stubs, or by calling employers. Most, however, attempt validation only when they have reason to suspect information furnished by the participant. As a result, the quality and quantity of follow-up data vary significantly across programs.

In sum, HRD deserves high marks for its follow-up service component. Participants are assured that they will capture both the short-term and long-term concern of staff for their economic well-being and that reporting requirements will promote this type of interchange: "You aren't working? We better sit down and talk." The program's overall follow-up reporting system, however, is marred by a governing policy that does not cause all programs to collect and report data under a single, uniform set of ground rules.

Table IV-5

Comparison of Follow-up and Completion Rates

Performance Years 1977-78 through 1980-81

	Performance Year 1977-78	Performance Year 1978-79	Performance Year 1979-80	Performance Year 1980-81
Participants from previous year (eligibles for follow- up)	5418	5306	5218	4720
Participants Receiving Follow-up	3682	4328	4703	4108
Follow-up Recipients as % of Eligibles	68.0%	81.6%	90.1%	87.0%
Completion rate from previous year	76.9%	79.2%	79.8%	76.1%

Source: HRD Performance Summaries; and HRD Program Data Tapes for FY 1978-79 and 1980-81.

Employer and Public Relations

Staff generally does job development for this HRD program. There does not appear to be a close working relationship between the program and area employers, nor do employers seem aware of HRD and what it seeks to accomplish. The staff reports that employers do not want to hire workers who do not have high schools diplomas even for menial jobs, and that has increased the staff's reluctance to solicit jobs for program participants. The coordinator adds that some employers react as if HRD were trying to send them "defective people."

Job development and placement activities in a second program are assigned to the O&M instructor. The HRD coordinator, however, admits that no one on the staff is ideally suited for the job development task. None of the staff has the community contacts or the interest in establishing such contacts to build a strong job development component. Instead, the O&M instructor relies on leads from newspaper advertisements and help-wanted signs.

Whatever else may be said of the two HRD programs whose job development functions are described above, it should come as no surprise that neither has a good record of job placement. At no site touched by this study was there a good job placement component without strong employer relations.

And in the programs with strong employer relations there was invariably either a full-time job developer, an exceptionally able part-time job developer, or a coordinator who had sterling contacts with the employing community. Indeed, the ideal for a small or medium-sized program might be a coordinator who comes from a private sector background in the immediate area and who can maintain excellent relations there, sell the program, and manage the rest of the staff with some degree of sensitivity. Not an easy person to find, but not an impossible one either. Here are two examples from site visits:

One of the factors influencing the school's decision to hire the current HRD coordinator was her status in the community. Married to the district attorney and herself an active civic volunteer, she knew the community and its residents well. She has capitalized on her previous community contacts to help build a solid cadre of employers willing to hire her referrals whenever openings occur.

The program appears to have good relationships with area employers. The HRD coordinator and the job developer belong to the area personnel managers association; they often make presentations about Caldwell Community College's programs (including HRD) at meetings. Both the coordinator and the job developer also work with CCC's industry programs, so they can talk to employers about more than just HRD -- special skill-training courses, supervisory training, and in-plant classes, for example. While the job developer keeps abreast of local employment opportunities, he does not 'place' students. They must arrange their own interviews and secure their own jobs.

Because the CCC program has such a solid relationship with the employing community (and a consistently high job placement record), it can afford not to "place" its participants. Employers are conditioned not merely to accept HRD graduates, but also to look on them as entirely capable of doing the job. In other programs visited, the decision not to do any "hand-holding" with graduates seemed sometimes to be no more than an excuse for nonexistent relations between the program and the employers. The program did not "place" the graduates because it did not know how.

That is not to gainsay the argument that the best gift HRD can give its participants is the will and the skill to go out and get jobs without any further assistance. The most successful programs, however, have found ways of preparing the ground for the job seekers. The good

job developer is willing to put his or her own reputation on the line with the participants.

The Davidson Community College job developer, Carrie Reich, emphasizes the importance of being honest with employers about HRD graduates. "I can tell them a lot more about one of my applicants then they'll ever learn if they hire off the street."

A few programs have located influential people in the employing community and used them to help legitimize HRD with other employers. One program works closely with an employer who is on the Employment Service advisory board and who has become an unofficial "booster" for HRD. Another businessman teaches personnel development and business training courses at the college and has helped employ many HRD students. He has helped to sell "HRD people" as good employees.

That technique is one that a number of the programs with good placement records employ. Those programs make a point of identifying their prospective placements as HRD-trained. Several employers indicated that they, too, had concluded that being an HRD graduate was an indication of superior employment potential. One employer talked about looking for HRD and other agency referral cards in hiring times and of giving preference to those applicants.

Despite the good examples cited here, too many of the institutions visited had poorly developed job placement functions. Most often, in those cases, the job placement function had been split among several staff members, or the institution's top administrators were not particularly interested in HRD's job placement aspects. Rarely were the employer advisory councils that operate as a liaison between skills training programs in community colleges and the employing community

utilized to help employ HRD students. And the old Manpower Center "advisory councils" for HRD apparently have virtually disappeared.

One exception to that trend is the Basic Industrial Training (BIT) program which has operated in several of the institutions, most notably Nash Technical Institute. At Nash, the HRD job developer has responsibility for planning joint HRD/BIT programs. Those programs offer orientation and motivation concurrently with skills training in textile manufacturing and apparel production in in-plant, off-campus, and on-campus settings. The BIT program at Nash has its own employer advisory committee. Additionally, it is financed by Continuing Education funds and generates Continuing Education FTE.

Joe E. Sturdivant, director of the Industry Services Division of DCC, believes that serious consideration should be given to spreading the BIT experiment through other institutions in the system.

"It seems to do the right things," he says. "It involves the employer with the whole training process. It uses HRD in a creative way and can result in higher-paid jobs for the participants at the same time it satisfies the employer's need for labor... I think skills training tied to HRD has to be the way of the future."

With BIT as one of its prize exhibits, Nash generated \$313,110 in earnings increases in 1980-81, the second highest earnings increase in the HRD system. Its enrollees represented 2.8 percent of all enrollment in the system, but they generated 4.7 percent of all statewide income increases.

The employing community for HRD is part, but not all, of the community at large. Opinions about the program are not confined to potential employers, but are held as well by ordinary citizens who pay

taxes and wonder whether the employment programs financed by those taxes are worth their cost. Despite the importance of community support for a program like HRD, efforts on the part of participating colleges and technical institutes to sell the program to the community were hard to find.

A frequently encountered attitude was that of the community college president who said that while he personally supported HRD fully, he was in favor of maintaining a low profile for the program in the community. When asked why, he responded that he could not afford to mention HRD because its participants were paid CETA stipends, "and you know what people think about CETA."

Even where community college administration and HRD staff have expressed the desire to "make the program known," hard efforts in that direction are scarce. At one institution, two of the three former participants we interviewed volunteered the opinion that the program needed more publicity. They had learned about the program, they said, almost by accident when relatives noticed a small newspaper ad. They felt that the program should try to get more newspaper coverage and use bigger newspaper ads.

It is probably no accident that the few HRD programs making a concerted effort to reach the public at large are those with an outstanding acceptance of HRD participants as part of the college campus. Where visitors saw obvious pride in the program and a full-blown effort at integrating it into the institution, there were at least some efforts under way to help HRD achieve a positive public image. By far the most intensive effort of that kind turned up in the study

is at Rockingham Community College, where a history of efforts in that direction is worth recounting.

Cameo: May 1981 -- "We get our reports in the paper just as we write them, mistakes and all."

The Rockingham Community College public relations effort began with the participants themselves on the first day of HRD back in 1973. The program was housed at the insistence of Rockingham President Gerald James in the administrative building. "These people had been turned down more than once before in their lives and we felt it was important to establish that in this program, they would go first class." Over the years, HRD classes at Rockingham have met in the small board room and, when they were large enough, in the big board room. "We'd go across campus to find an empty classroom for a teacher's meeting rather than kick them out," Dr. James recalls.

HRD had to be sold first to the faculty and then to the board of directors of the college. Dr. James has made certain that it has been kept in front of the board year by year. He presents members regularly with the program's EI, in simplified form, which he describes as "our batting average." (Early on, Dr. James wondered aloud in a board meeting whether the school could afford HRD and was told by one board member that the school could not afford not having it.)

Program coordinators have seen to it that program results have been published widely in the small papers that dot the communities around the college. "They don't have a lot of time to do editing, so we get our HRD reports in the paper just as we write them, mistakes and all." Graduations are written up and efforts made to bring in

prominent men and women (often employers) as speakers -- "That's what gets us a good spot in the newspapers," one staff member comments.

But the public relations efforts of Rockingham's HRD program do not consist merely of sending out news releases. The school makes much of bringing employers, the press, and local politicians in to see the program. Knowing that newspapers like "first person" feature stories, the program has made a habit of bringing in reporters and letting them participate in HRD. A particular favorite is the video-taped job interview, which has been written up a half-dozen times by now and was once a major feature in the Greensboro Daily News. "Whenever a new reporter shows up on one of the papers, we invite him or her over," a staff member notes.

The program sees to it that its self-evaluation (EI) is distributed widely, not only to the newspapers and to various kinds of employers' associations and other bodies, but to the county commissioners and the state legislators. "We figure it's a good idea to keep them informed on how the program is doing," Dr. James says. "I think by now we've got a few of them conscious of it. Some even know that it's not a CETA program."

It is not surprising, in view of all this, that the general public is more aware of the Rockingham program than is the case with most other HRD programs. Employer acceptance of the program was particularly high, with one employer emphasizing that he had asked the school to print "HRD" in big letters on the graduates' application -- "so we'll know we're getting someone who will perform at a higher level than the average applicant."

The program has been considering another "event" that could provide a number of good things. "We're considering having reunions -- you know, members of all the classes five years ago, four years ago, so on," a staff member says. "It would be fun for the participants to get back together again. Bet it would make a good story too."

V. THE EI AND FUNDING ISSUES

In assessing the strengths and weaknesses of HRD's competitive efficiency index (EI), it is important to keep in mind the ultimate purpose of the EI -- to motivate program managers to improve program performance. The tools HRD has used over the years to measure performance and distribute funds -- tax payback, earnback, real efficiency index, and funding efficiency index -- have never been precise. At best, each index has only approximated the economic performance of program graduates, and each has also overlooked certain program costs. Yet, in a variety of ways, those indices have effectively reinforced positive program performance. Proposals to change the EI -- to make it more accurate or more fair -- need to be weighed carefully, for they will undoubtedly affect the delicate balance of the EI in its triple role as performance measurer, resource allocator, and behavior modifier.

The real and funding efficiency indices used by HRD in recent years are relatively simple measurement tools. The real efficiency index is computed by adding net gains in the annual earnings of participants to net decreases in the annual public assistance receipts of participants and dividing by program costs.

$$\text{Real EI} = \frac{\text{Earnings increase} + \text{Public assistance decrease}}{\text{Program Costs}}$$

Like the original earnback index, the real EI approximates a figure that shows by how many times net gains in participant earnings and net decreases in public assistance exceed the annual cost of HRD training.

The funding efficiency index or weighted EI was developed in 1976 to encourage local programs to increase and improve their services to

public assistance recipients. That index differs from the real EI in only one way: a multiplier of 3 gives extra weight to the public assistance reductions.

$$\text{Funding EI} = \frac{\text{Earnings increase} + (3) \text{ Public assistance decrease}}{\text{Program Costs}}$$

While either EI can be used to measure program effectiveness, since its inception the funding EI has been used additionally to distribute a third of the annual HRD appropriation. (As a result, more often than not, any discussion about EI in HRD circles is a discussion about the funding EI. Unless otherwise noted, whenever EI is referred to in the remainder of this chapter, the reference will be to the funding EI.)

Several characteristics of the EI make it particularly useful to the HRD program. First, there are only three data elements that enter into the formula: earnings gains, public assistance reductions, and program costs. All three are clearly defined and relatively easy to compute. Second, the formula is easy to amend whenever there is a need to emphasize one program objective over another. This is precisely what was accomplished when the multiplier of 3 was added to the EI in 1976. If the state had wanted to give even greater weight to the public assistance reductions, a multiplier of 4 or 5 or even 10 could have been inserted just as easily. And third, the EI can be applied to any program without regard to eligibility criteria. That is particularly important to HRD, since eligibility criteria vary from one local program to another. To the extent that the EI emphasizes one program objective over another (as it does currently by triple-weighting public assistance reductions), it can, however, influence the designation and utilization of eligibility criteria at the local level.

In the years in which state administrators have used the efficiency index to measure performance and distribute funds, many local coordinators have learned how to use the EI as a tool for program management. A number of programs, for example, post elaborate color-coded charts, which list participants from every cycle which affects the current performance year, and indicate whether each has been placed or taken off public assistance or both. The charts serve as constant reminders to job developers of where their efforts need to be focused if their programs are to generate healthy EIs. Knowing how the EI is affected by changes in program design has helped other coordinators make decisions about recruitment and selection techniques, utilization of community resources, and placement and referral practices. One coordinator told us she had also found in the EI a more meaningful way of assessing her and her staff's performance than the traditional end-of-the-year chat to discuss intrastaff relations.

A number of coordinators we interviewed doubted they would be encouraged to be as attentive to program goals if it were not for the EI. They said:

It brings accountability to the program, it keeps you cost conscious, it keeps you from becoming complacent, and it keeps the coordinators from wearing too many hats and letting their programs slide.

[Without EI] HRD might forget to serve the students it was designed to place.

[The EI forces programs to concentrate on] the bottom line -- getting people jobs.

Support for the EI in principle was strong both in the regional meetings we held with HRD coordinators and in site visits with HRD

staff. Many suggestions were made for improving the EI -- the most significant will be discussed later in this chapter -- but almost nobody closely connected with the HRD program was in favor of doing away with the EI.

The EI formula identifies clearly what coordinators need to worry about; i.e., getting participants into better employment situations than they held prior to enrollment, getting participants off public assistance, and keeping program costs under control. In that respect the EI is in close conformity with the official objective of HRD: "to reduce public assistance payments, unemployment, and underemployment."

The power of the EI to persuade program managers to be attentive to participant outcomes is magnified by the manner in which earnings gains and public assistance reductions are calculated. The EI is computed on April 30, at the end of the performance year, and is based on the gains (or losses) realized by participants since they completed HRD training. Participants who completed training in October, for example, would have six months of earnings gains and public assistance reductions added to the tally of gains and losses. Another group of participants, having completed training in January, would have three months of gains and losses added to the program-wide tally. The economic advances made by those participants during the last part of the 12-month follow-up periods would be counted toward the subsequent year's EI. Thus, the October graduates would have six months of activity measured during one performance year and six months counted during the following performance year. Similarly the economic progress of January graduates would be divided into 3 months for the first performance year and 9 months for the second. As a result of this

computational procedure, nearly every graduate will influence the EI calculation for two consecutive years. The only exceptions occur when the follow-up period for a cycle of trainees coincides exactly with the May 1-April 30 performance year.

That procedure leaves something to be desired in terms of the EI's accuracy, because the gains of participants who on April 30 are at a point in their 12-month follow-up period other than 3, 6, or 12 months (say 2, 5, or 7 months) must be estimated on the basis of the most recent follow-up reports. Yet in terms of motivating staff to improve program services, the procedure is highly desirable. It forces staff to worry about the economic situation of the graduates over the short run as well as the long run, and it reminds staff that what they do for each student will affect two years of funding.

To summarize: Because the EI will not reward programs for spending more HRD funds than can be balanced off by increased earnings and decreased public assistance dependency, and because the EI is based on the short-term as well as the long-term economic performance of graduates, there is a built-in incentive for program managers to recruit wisely, provide top-notch instruction, search hard for good placements, and keep costs low. Moreover, the EI encourages programs that wish to innovate to test new approaches carefully. Innovations that do not work will have costly repercussions. Well-planned and carefully monitored innovations, on the other hand, can be tested without great concern.

A number of program coordinators and school administrators reported that they had found the EI to be a particularly convincing public relations device. Some coordinators used the EI to keep their presidents

and college boards advised of HRD's performance. Vice President Dr. W. E. Inabinett at Davidson County Community College told us he had found the index to be helpful in selling the program to the college board "because it shows that the program is getting people into jobs and saving the public money in the long run." Others used it to explain the payoff of HRD to the local community.

Not every program coordinator and school administrator interviewed during the course of this study held such a positive view of the EI, especially as a tool for program management. A few claimed they did not use the EI to assess performance or manage operations because in their view the EI does not give sufficient value to outcomes they believe are important, such as referral to skills training or high school completion:

"The best thing you can do with the EI as it is set up now is to turn those people over to jobs...any kind of job will do," one said.

The coordinator making that remark in March 1981 knew that the EI gives earnings credits to graduates who follow HRD with skills training (credits are given at the rate of minimum wage multiplied by the number of hours in training per week), but in his view the credits were not large enough, nor did he think it was fair that no credits were awarded to graduates who follow HRD with academic study. Many coordinators agree that training referrals are frequently more appropriate than job referrals, especially during periods of economic downturn. Yet at times, because of the credits differential, they opt for job placements. Some coordinators claim they ignore the EI penalty and make the training referrals anyway.

It appears that one reason the EI is not used universally for program management is that local administrators are not sure how to use the EI in that way. Many program coordinators believe their deans and presidents understand only FTE, not EI. Some program coordinators feel they are handicapped by their lack of knowledge about how to moderate the EI through changes in program design and operation. Others are frustrated by the way the EI seems easily influenced by factors beyond their control, such as downturns in the economy.

The relationship between the EI and economic conditions has caused a number of personnel in the community college system to suggest that a factor for local unemployment rates be added to the EI computation. A commonly held view is that it is not fair to compare the performance of a program operating in a heavily industrialized area with that of a program operating in a remote rural area. However, it is unclear what such a modification might accomplish.

Table V-1 suggests that program operators are right when they intuitively suggest that there is a relationship between UI rates and the EI. When the 45 programs operating in 1981-82 were divided into three groups of 15, based on their 1980-81 EI rankings, and an average unemployment rate was **calculated for the areas** served by each group, the top 15 performers had an average unemployment rate of 7.2 percent, while the lowest 15 **performers** had a rate of 7.8 percent (significant at the .068 level). Yet there were outstanding performers in the areas of high unemployment, and also **poor performers** in the areas of low unemployment. UI rates for the areas served by the top 15 performers varied

from a low of 4.5 to a high of 10.0 percent. UI rates for the areas served by the lowest performers varied from 4.7 to 11.3 percent.

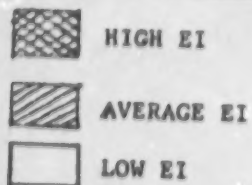
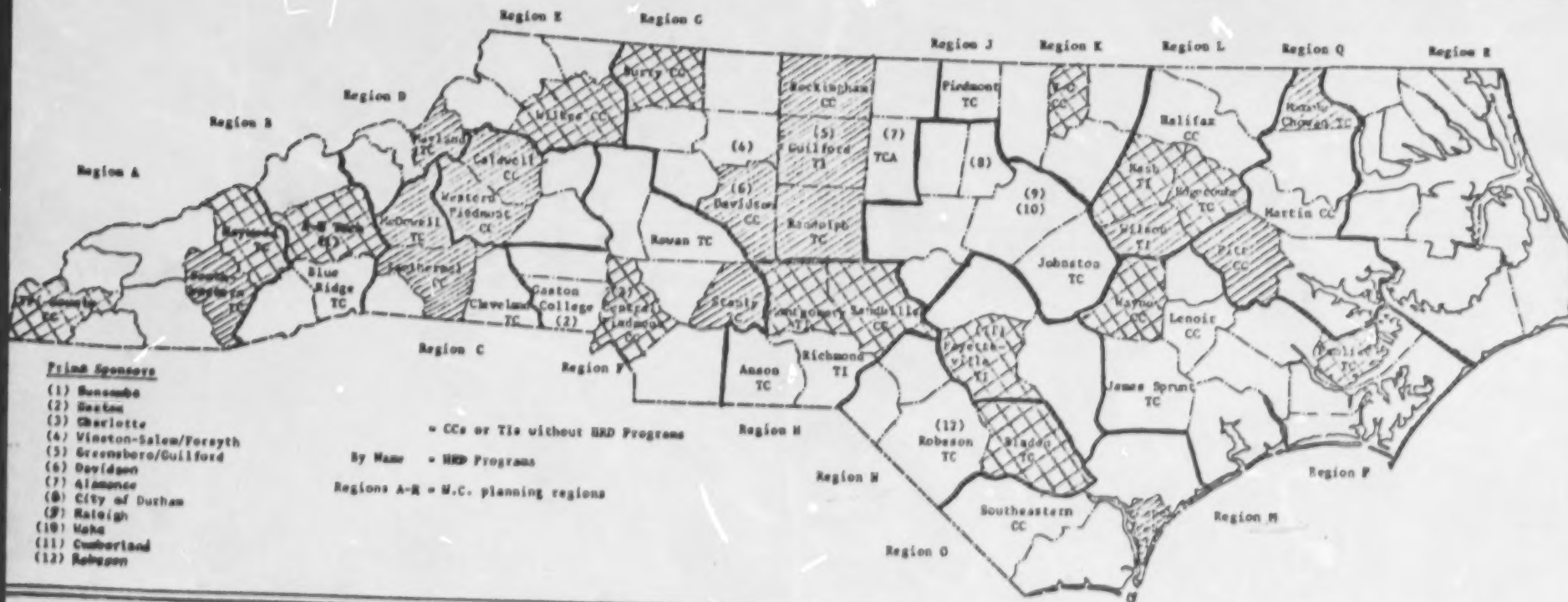
Where the programs are located seems to be as important as the UI rates, however. Programs with above average EIs in FY 1980-81 were dispersed throughout the state, but fully a third were located in areas having at least one large city (see Map V-1). Programs with below average EIs tended to be located in the southern border counties and in the east. Fewer than a third of those programs operated in counties having large cities.

One coordinator from an area with low unemployment thought his job was harder than the jobs of his colleagues in high unemployment areas:

In low unemployment areas, HRD serves a tougher group -- the bottom of the barrel. As a result, a placement becomes just as hard as it is in areas with high unemployment rates and where the program serves a better educated and more motivated group of participants.

The issue of whether a factor for economic conditions ought to be added to the EI must ultimately be decided in light of the impact of such a change on overall program operations in the state. It is understandable that individual program operators working in a labor market unfavorable to their EI would ask for a measure providing more "equity" for their programs. However, the EI is not intended to provide each program the same opportunity to succeed, but rather to provide the state's unemployed with the maximum amount of assistance in finding employment for the dollars invested. To provide artificial support for programs which -- however well run -- cannot really deliver with jobs would seem to fly in the face of that policy by rewarding, to some degree, nonperformance.

MAP V-1
LOCATION OF HRD PROGRAMS BY EI RANKING
Performance Year 1980-81



Source: HRD Performance Summary PY 1980-81.

Table V-1
Program Characteristics by EI Performance
Performance Year 1980-81

	Level of EI Performance		
	High (n=15)	Average (n=15)	Low (n=15)
Average UI rate	7.2%	7.3%	7.8%
Average HRD allocation	\$51,185	\$53,002	\$50,722
Average stipend expenditure	\$16,007	\$31,744	\$38,179
Average enrollment of stipended participants	50.8%	63.5%	82.0%
Average completion rate	70.5%	65.0%	73.7%
Average 12-month place- ment rate	74.7%	68.7%	55.0%
Average number of staff	4.1	4.7	4.0
Average total income increase	\$204,411	\$153,834	\$95,263
Average public assistance decrease	\$31,972	\$16,013	\$8,911

Source: HRD Performance Summary 1980-81.

Some program administrators believe the EI would be made more equitable by a change in the manner in which program costs are computed. Currently program costs are determined by adding expenditures for stipends and administrative costs met from state HRD funds. Administrative costs met from other funding sources such as CETA or the continuing education budget are not included in the program cost computation. As a result, programs which use other sources of funds for staff, travel, or other administrative expenses enjoy an advantage over programs which meet costs exclusively with HRD funds. The following example shows how programs stand to profit or lose by that computational procedure.

Let us say in performance year 1980-81, Program A realized \$150,000 in earnings gains and \$15,000 in public assistance reductions, while spending \$50,000 in HRD funds for administration and \$30,000 in stipends. Program A's EI would be calculated as follows.

$$\text{EI for Program A} = \frac{\$150,000 + (3)\$15,000}{\$50,000 + \$30,000} = \frac{\$195,000}{\$80,000} = 2.438.$$

If Program B realized equivalent amounts of earnings gains and welfare decreases, and also spent \$30,000 on stipends, but met a fifth of its \$50,000 administrative budget with CETA funds, Program B's 1980-81 EI would be much higher.

$$\text{EI for Program B} = \frac{\$150,000 + 3(\$15,000)}{\$40,000 + \$30,000} = \frac{\$195,000}{\$70,000} = 2.786.$$

Although both programs had \$80,000 worth of expenditures and realized equivalent earnings increases and public assistance reductions, Program B would have earned an extra \$2,489.71 in HRD funds for 1981-82.

According to information provided by program coordinators to MDC, thirty-three programs used CETA or other sources of funds for HRD purposes in 1980-81. At times, the support amounted to \$100 or less, while in rarer instances it amounted to nearly half the local program's administrative costs.

Once again, deciding to modify the EI to improve its accuracy and fairness with regard to cost calculations raises the issue of potential impact on program performance. As the EI works now, there is an incentive for programs to look for outside sources of support, and to substitute federal dollars for state dollars. Using federal dollars first is a policy all state programs are expected to follow to maximize state spending capacity. If the incentive to find other funding support is removed from the EI, program operators will undoubtedly be less inclined to do the extra paperwork and negotiation that is necessary to secure outside funds.

While it is true that programs do not have equal access to outside funding (since CETA and other resources are not distributed uniformly throughout the state), it is hard to argue that programs that improve, increase, or enrich services through utilization of outside resources do not deserve the advantage the EI currently awards them.

But that issue relates to another funds-utilization issue which surfaced in 1980-81. Annual HRD allocations have generally exceeded actual spending levels by 5 percent, resulting in a small return of HRD dollars to state coffers. That is a reasonable expenditure level -- staff vacancies alone generally account for a 3 percent variance between allocations and expenditures for most state programs and departments. In 1980-81, however, statewide HRD expenditures fell below the 1980-81 allocation level by 9.1 percent. Eighteen programs (40 percent) spent 90 percent or less of their HRD allocation. Eight of those (18 percent of all programs) spent less than 80 percent, while five programs (11 percent of all programs) spent less than 70 percent of their allocation. Several questions are raised by that situation. Why did so many

programs underspend their budgets in 1980-81? Why were those funds not re-allocated to other HRD programs? What does this situation imply about the future funding needs of HRD? We have only partial answers to those questions.

Part of the answer to the question of why 40 percent of the programs underspent in 1980-81 lies in the incentive the EI provides to programs to substitute other administrative dollars for HRD dollars. One program, for example, was able to return 31 percent of its HRD allocation because 2 out of 4 staff positions were paid for by CETA funds. Another program returned 19 percent of its allocation largely because the program coordinator's salary was met from other college funds. A few others have always been able to return significant portions of their allocations because their EIs have entitled them to a larger share of the statewide allocation than they need to maintain their smaller-than-average program operations. One or two others underwent major program reorganizations that decreased their program capacity as well as spending needs.

Why were surplus funds not re-allocated to other programs? Well, some funds were reprogrammed, but at the end of the year, 9.1 percent remained unspent. Perhaps programs were reluctant to spend heavily during a year which offered discouraging prospects for earnings gains and public assistance reductions. Perhaps funds were not reprogrammed early enough in the performance year for programs to take advantage of them. Or perhaps the institutional administrators did not think their programs needed the funds.

Another factor to consider, however, before rushing to conclusions about HRD's recent spending pattern is the size of the 1980-81 allocation compared to the allocations of other years. The 1980-81 allocation made the first significant jump in annual allocations since 1974-75. Funds increased by 10 percent in 1980-81, after only a 4.1 percent increase in 1979-80, a 5.6 percent increase in 1978-79, no increase over the two-year period from 1975-76 to 1977-78, and a 2.1 percent increase in 1975-76. In general, HRD programs have not come to expect sufficient resources to expand program size. Instead, they have come to expect the necessity of scrambling for other resources and finding ways to cut program costs just to stay even with inflation.

Consideration must also be given to what would happen if the annual HRD appropriation were not large enough to assure that programs which improved their performance would receive increases in funds. In 1979-80, 13 of the 47 operational programs improved their EIs, but received reduced allocations. Had the situation not been altered by the 10 percent increase in the 1981 appropriation, the incentive for programs to work at improving performance might have been lost.

It is too early to assess fully the implications of 1980-81 spending levels for future funding. If the pattern of underutilization continues for another year, there may be justification for modifying the grant award process (e.g., by re-allocating funds earlier in the performance year, or by limiting the size of grants to institutions which consistently underspend), or for introducing additional incentives to schools to keep service levels up. (Annual enrollment dropped by 1.8 percent in 1980-81, while the number of graduates receiving follow-up services dropped by 12.7 percent.)

Another option would be to use leftover funds to start new programs in institutions which are on the waiting list for HRD programs. Two institutions have been on the HRD waiting list for several years; two other presidents advised MDC they would add their institutions to the list if there seemed to be any chance of getting funds in the near future.

It is also possible that more institutions will want to expand or start HRD programs if federally funded community college programming for the disadvantaged suffers more cutbacks. Another option for the state would be to direct leftover monies to skills-training efforts designed for HRD students.

Although most program coordinators believe the EI provides an incentive to improve performance, some think the incentive could be strengthened. During the March meetings of coordinators, one veteran HRD administrator complained:

As it works now, the formula makes sure you get two-thirds of the funds you received previously even if you do nothing. And you can lose dollars even when you do a good job because of the statewide cap on funding.

His first point deserves further exploration.

As noted earlier, one-third of the annual HRD appropriation is divided among the schools according to their relative performances as measured by the funding EI. Another third of the annual appropriation is divided equally by the programs for program maintenance -- a basic operating allocation, if you will. The final third is divided according to the relative FTE generation of the schools. Since annual appropriations have not generally increased significantly, the money

available to schools through the program maintenance pool has been relatively constant. Most schools also receive a fairly constant allowance from the FTE fund, since the number of persons served and the number of hours of instruction offered generally do not fluctuate greatly from one year to the next at a particular institution. Thus, as the somewhat disillusioned coordinator pointed out, nearly two-thirds of the funding is predictable. Moreover, variations in annual allocations which might come as a result of small gains in the size of the program maintenance or FTE funding pools or because of significant improvements in a program's EI are moderated by another funding rule which prohibits any program from receiving more than a \$20,000 increase in HRD funding in a given year.

With growth in individual HRD allocations limited to, at most, \$20,000 per year, it can be difficult for a program to expand. After compensating for inflation and meeting required salary increments, a program might be lucky, for instance, to have sufficient funds to hire an additional staff member. That is one reason why outside funding sources are welcome additions to HRD budgets. With the program-wide spending level running 9.1 percent behind the appropriation level, the time may have come to relax the \$20,000 growth limit on program allocations.

The "\$20,000 rule" works in the other direction as well. That is, programs are not subject to a reduction of more than \$20,000 in a given year. As a result, one poor performance year will not eliminate a program. Instead, the program has time to pull its performance up again. Two bad years in a row could be devastating, however, especially if the

EI were negative for those two years. Such an occurrence means an automatic stop in program funding. (No program has generated a negative EI since 1976.)

But while lifting the \$20,000 limit on program expansion would help make the EI more competitive, it would not by itself remove the complaint that with two-thirds of the annual allocation virtually set, efforts to improve EI can only have a limited impact. As matters stand now, the EI can only be more effective across the board if it is given a weight greater than one-third of the allocation formula; or, to put it differently, if it is given a weight heavier than the FTE element in that formula. Such a step seems to gain support from the observation that raising a program's allocation because it increases FTE amounts to rewarding it at program entrance -- in terms of the total number recruited -- without consideration of placement statistics. Placement in further training and jobs is, after all, the goal -- not merely putting more participants into the program. That step may be considered even more seriously in a time when job openings themselves are relatively scarce.

During the site visits, several presidents made it clear that, while they support the concept of the HRD program, they disapprove of the policy which limits utilization of HRD funding to HRD staff support, travel, and office supplies. To some, it seemed unfair that local institutions were expected to support the HRD program through provision of space, equipment, and maintenance services, while none of the HRD funds could be used in support of other college activities. The following excerpt is from one of the site visit reports:

The president called HRD a high-cost program that requires special talents of its staff and small class sizes. These demands add to the burden the school must bear to support HRD, however, since there is always the need to justify the program's existence on campus. Though the dean recognized a benefit to the school in having HRD graduates enroll in curriculum programs, the president felt the school made a larger contribution to HRD than HRD made to the school. He added that HRD has failed to get many students into jobs that could have a payoff for the school (big industry, for example).

One president recommended that a portion of each school's annual HRD allocation be designated as discretionary funds for use by the institution in whatever manner it so desired. That, he believed, would appease those who felt HRD had become more of a liability than an asset to the schools.

While the proposal might help improve HRD's reputation in the community college system, there is a danger in permitting part of HRD's resources to be directed elsewhere. Unless overall HRD funding is increased significantly, redirection of even a small percentage of HRD funds could have a significant impact on program operations. With annual allocations averaging only \$56,676 per program, it is hard to imagine what portion might be set aside that would be large enough to help institutional administrators, yet small enough so as not to hurt program services.

No assessment of the EI would be complete without some discussion of the validity of the data used to compute the EI. Program costs data, as costs are presently defined, are the "hardest" data fed into the EI and can be validated easily at the state level. Public assistance reductions can be verified at the local level through DSS and ESC records, but it is unclear how many programs verify participant reports

in that fashion. Some programs have had difficulty securing data from DSS in the past, but a new statewide agreement between HRD and DSS ought to facilitate records validation in the future.

Earnings increases have been (and are likely to continue to be) the most difficult data to validate because of the absence of public records on earnings. Local programs use different methods for verifying earnings -- asking for check stubs, calling employers, and the like; but because there is no requirement for verification of any sort of follow-up data, most programs attempt verification only if there appears to be something contradictory about a particular report of earnings or public assistance information. As noted earlier, there is also no uniform policy stating exactly which participants are to be included in follow-up reports, and no uniform method of collecting follow-up data. Most programs rely on a combination of responses to mail inquiries, telephone inquiries, or chance meetings in the community to collect follow-up data. Most programs also follow up on more participants than they are required to, and they correctly point out that more rigorous follow-up efforts would be difficult to implement under current funding circumstances.

Over the years, institutional and program administrators have worried about these problems and have tried to find ways of improving follow-up reporting through self-policing efforts. Some administrators we interviewed felt follow-up records ought to be audited annually by an outside agent, but clearly the cost of such an effort would be sizable, and perhaps even prohibitive.

Although the validity of the EI is limited by the validity of its elements -- and especially the earnings data element -- the same type

of validity problem would be faced by any index which seeks to measure earnings gains over a long period of time. Short of checking IRS and SSI records, there is little that can be done to solve that problem. And those records could not be accessed -- even with participant permission -- until many months after HRD follow-up reports were due. The hard truth is that the earnings data are probably already as valid as they are likely to be.

VI. RECOMMENDATIONS

The future of employment and training programs in this country is uncertain. The major federal program supporting training for the disadvantaged, CETA, has lost its countercyclical public service employment component and has had classroom and on-the-job training funds reduced by a third. More cuts and more changes appear to be coming. The Administration talks of reducing the scope and the funding of government-financed training and of shifting control of program administration from local government to private business and labor groups. Others in Washington are looking for ways to increase the accountability of federal employment and training programs. To that end, Senator Dan Quayle of Indiana (Chairman, United States Senate Subcommittee on Employment and Productivity) has called for a result-oriented training system that measures program performance by earnings gains and income-maintenance reductions.

Nearly every legislative proposal for replacing CETA when it expires next September targets services to youth and to major population centers. Some include provisions for retraining displaced workers who have been laid off or whose factories have closed, but in at least one of the bills, localities would have to match the federal dollars used for that type of training at a 3 to 1 rate.

At the state level, the future is marked by uncertainty about federal legislation and about the shift in authority from the federal government to the states through the medium of block grants. The need for strong employment and training efforts in North Carolina, however, is apparent. Unemployment has been rising steadily since 1979 and was

over six percent for the state as a whole in 1981. Some areas of the state have much higher rates -- up to 12 and 14 percent in some western counties.

Less federal money, more targeting on youth, less money to rural areas, less emphasis on countercyclical employment and training activities, and more unemployment add up to one thing: More pressure on the state to use its own resources for services to disadvantaged adults in the cities, and more especially in the rural counties, of the state. The state has already started to respond to those pressures. Governor James Hunt has targeted his energies on strengthening the employment opportunities of all state residents by supporting new and expanding industries, especially the microelectronics industry. Efforts are also under way to operate a workfare demonstration in six locations in the state. While federal funds are helping to support the demonstration, state and local resources are also being tapped.

Although the annual funding of HRD is small compared to the funds used by CETA and other vocational training programs in the past, the importance of the HRD effort will become more obvious as the national employment and training cutbacks occur. In addition, questions about how to measure training and employment program success are likely to put HRD in the forefront of national models because of its decade of experience with the EI. Furthermore, HRD's ties to the state's new workfare demonstration (workfare sites will be located near and operated in conjunction with HRD programs) will put the program in yet another spotlight as national policymakers seek to find ways of accomplishing welfare reform. Finally, if Governor Hunt's plans to lure the microelectronics and other expanding industries to the state come to fruition,

HRD is likely to become the state's major vehicle for channeling disadvantaged adults into decent-paying jobs.

All of this suggests that the time is right for the state to look closely at the purpose as well as the performance of the HRD program. MDC's assessment of the HRD program has shown HRD to be an effective means of providing motivational training to disadvantaged adults. The economic impact of the program, however, though significant, has been limited by labor market conditions and by the program's overall emphasis on entry-level employment as opposed to academic and skills-training placements. While we applaud the program's continued primary emphasis on direct job placement, and hope that it remains strong, the time may have come to reward HRD more for linkage with other training and education tracks. Local programs have already introduced new program emphases, despite, in some cases, the obvious disadvantage to their funding status. A few have also considered the utility of offering HRD to other students on campus.

In looking at HRD's performance since the early 1970s, we have concluded that there are several ways the program could be strengthened to meet the challenge of the 1980s. Three sets of recommendations follow. The first set is directed to the Department of Community Colleges and to Dr. Larry J. Blake, State President of the State Board of Community Colleges. The second set is directed to the staffs of local HRD programs. The final set of recommendations is directed jointly to DCC and the presidents of the local institutions.

Recommendations to the State

1. Modify the EI to provide added credit for vocational training placements.

HRD's mission of helping the chronically unemployed find entry-level jobs was formulated during a time of low unemployment and expanding industry. Increasingly difficult economic times have made it harder to find jobs that pay enough to make HRD participants economically independent. Respondents to MDC's survey of 1978 program participants had realized a 98.3 percent increase in their annual earnings since HRD training, but they continued to have, on the average, incomes below the poverty level three years after program participation. At the time of the 3-year follow-up, however, the average annual earnings of training-placed completers from 1978 surpassed the average annual earnings of the job-placed completers by 15.9 percent. Although a long-term economic advantage appears to accrue to participants who follow HRD with skills training, the EI encourages HRD staff to opt for immediate job placements, which have a larger one-year payoff to participants.

The EI could give more emphasis to training placements in a number of ways. One would be to increase the earnings credits (currently minimum wage multiplied by hours in training) awarded to graduates during the time of their vocational training. Another would be to double the annual earnings gains of participants referred to training in the EI calculation. Care should be taken, however, to avoid increasing the incentive for training placements to the point that it outweighs the incentive for enrolling public assistance recipients.

2. Modify the EI to provide credit for GED completion, high school completion, and similar academic training placements.

Again, the increasingly adverse labor market makes it difficult to place HRD participants without high school diplomas or equivalencies in jobs leading to economic independence. Although 24 percent of the respondents to MDC's survey of participants from 1978 said they had received their GEDs subsequent to finishing HRD, many more must have stopped working toward their equivalency diplomas after HRD training.

While the EI provides earnings credits for the time spent by graduates in vocational training, no credits are provided for students enrolled in academic instruction leading to a high school diploma or its equivalency. Since some of those completion programs run up to three months in length, there is a distinct disadvantage to the local HRD program in referring participants to academic training programs.

One way to provide credit for high school study would be to adopt an earnings credit like the one presently used for time spent in vocational training (hours in training multiplied by minimum wage). We recommend, however, that the credit for vocational training placements be kept higher than any credit for academic training.

3. Increase the portion of HRD funds that are allocated to the programs on the basis of EI performance.

The power of the EI to motivate local program administrators to improve program performance is significantly moderated by the funding process which awards only one-third of the annual HRD appropriation on the basis of EI performance. Local administrators were generally

supportive of the EI; a few thought it was a better way of assessing overall community college performance than FTE. As the funding formula works now, however, poor program performance and the resultantly small allotment from the EI fund can be overcome simply by enrolling more students and generating higher FTE. Having some funds awarded on the basis of FTE is desirable -- that is the only current way of rewarding programs for increasing service capacity. We would recommend, however, that the allotment awarded on the basis of the EI be increased and that the allotment awarded on the basis of the FTE be decreased.

One way of doing that would be by awarding one-half of the annual appropriation on the basis of EI performance, one-sixth on the basis of FTE, and one-third in equal shares for program maintenance. Another alternative would be to split the allocation as follows: 50 percent EI, 25 percent FTE, and 25 percent program maintenance.

4. Eliminate or raise the \$20,000 ceiling on increases in annual allocations.

The policy limiting the annual increase or reduction of HRD allocations to \$20,000 per program was instituted when HRD was young and unstable. The statewide improvement in performance since 1976 suggests that local programs are doing a better job of managing. But programs which may now be better prepared to grow are limited to a \$20,000 annual increase, which has deflated in value since 1976 to \$13,639. Last year, 9.1 percent of the statewide HRD appropriation was not used by local programs. Lifting or raising the \$20,000 cap would be one way of increasing the utilization rate of HRD funds. We do not recommend doing away with the \$20,000 limit on funding

reductions, however, unless annual HRD appropriations increase significantly. If that should occur, it might be wise to limit the annual reduction by a higher figure -- say \$25,000 or \$30,000.

5. Preserve the heavy weighting for public assistance reductions in the EI.

The triple weighting for public assistance reductions has caused local programs to increase service levels to public assistance recipients. In addition, programs have been more selective about which public assistance recipients to enroll -- choosing AFDC recipients with only one or two children, for instance -- in order to improve the likelihood of a full transition from welfare dependency to independence occurring within a 12-month period. HRD's record for moving whole families off public assistance is impressive. In 1980-81, members of the families of 49.2 percent of participants were receiving public assistance in the year prior to enrollment. One year later, after HRD, the figure had dropped to 29.6 percent. We recommend that the weighting of public assistance reductions remain higher than any other weighting which may be introduced into the EI formula.

6. Standardize procedures for follow-up; adopt additional methods of assessing statewide performance.

The current policy of requiring follow-up only on completers prohibits the comparison of the economic performance of completers and that of noncompleters -- one of the most common ways of assessing overall impact. Annual performance reports treat follow-up data as if they were for completers only. A significant number of local programs, however, conduct follow-up on all program participants, and

most of the remaining programs submit reports which reflect data for completers and some noncompleters. In 1980-81, the number of follow-up records folded into performance report analyses and labeled "graduates receiving follow-up services" exceeded the number of "graduates" strictly eligible for follow-up services by 511, or 14.2 percent.

Another useful statistical analysis DCC should be making is that comparing the number of participants who are members of families receiving public assistance prior to HRD enrollment and one year after HRD participation. In 1980-81, that figure showed a 39.8 percent decline in family public assistance dependency.

7. Develop a series of regional workshops to provide technical assistance to local HRD staffs in improving employer and community relations and to provide institutional administrators with help in understanding the EI.

Local programs vary in their success at building relationships with employers and the community at large. In general, however, most programs would benefit from technical assistance in those critical areas. Most institutional administrators are only casually informed about the workings of the EI. We believe that if they understood how the EI can be used as a tool for program management, they would be better prepared to help their HRD programs improve overall performance.

8. Develop a plan for expanding the HRD program to some of the institutions that do not currently offer HRD.

Although two schools have been on a waiting list for a HRD program for several years, statewide funding has not been regarded as adequate to start new HRD programs recently. The system currently has 45 programs, after losing two in the last two years. As a result, there

are now 13 institutions in the system that do not offer HRD, including seven that once did.

In the telephone survey of schools without HRD programs, two presidents indicated they would join the HRD waiting list if they thought funding would be available. Administrators from institutions in the Triangle area and in the east were less interested in starting new HRD programs -- principally, they said, because CETA programs operating on their campuses seemed to be meeting the needs of the population typically served by HRD. As CETA programs are cut back or eliminated, however, those institutions may also show interest in offering HRD programs.

Recommendations to Local HRD Programs

1. Make the HRD program a visible and integral part of the community college or technical institute.

Where there is a positive attitude on the part of high-level administration, it seems to affect the HRD program at large and the individual participants as well in a positive way. HRD tends to succeed to the extent that the institution's chief administrator understands it, sympathizes with its goals, and actively supports it on campus and in the community. The payoff to that type of support generally comes in the form of increased enrollments in curricular programs by former HRD students.

2. Assign job development as the major responsibility of a person with strong community and employer contacts.

Job development needs to be the major functional responsibility of at least one staff member. Programs which have been successful at

job placement generally employ either a full-time job developer, an exceptionally able part-time job developer, or a coordinator with good community contacts.

3. Establish strong relationships with the employing community.

Some programs have drifted away from active job development, claiming students are better off learning how to go out and get jobs by themselves. The most successful programs, however, have found ways of preparing the ground for job seekers. A few programs have located influential people in the employing community and used them to help legitimize HRD with other employers. Successful programs usually make a point of identifying their prospective placements as HRD-trained.

4. Establish strong relationships with the community at large.

Although time-consuming to develop, those relationships can have high payoffs in recruitment and job placement. Most programs target publicity efforts on the service population. The ones that also promote HRD in the larger community have fewer problems with program image on and off the campus.

5. Reassess the need for stipends.

In general, stipended students have completed HRD at a higher rate than have non-stipended participants. In 1980-81, 71.6 percent of stipended participants completed the program, while only 51.5 percent of non-stipended participants did so. However, 17.2 percent of the non-stipended participants left the program early to take jobs, and after one year, non-stipended participants were earning 13.0 percent more than the stipended participants.

Programs which have high EIs tend to spend less on stipends and to enroll fewer stipended participants. Those staffs which believe transportation and meal allowances are critical offer partial stipends as a means of keeping costs down. That procedure requires obtaining a waiver from CETA, but most programs requesting the waiver have received it.

6. Strengthen linkages between HRD and vocational training programs on and off campus.

Although the primary emphasis of HRD has been on job placement, training-placed completers realize greater earnings gains over the long term than do job-placed completers. Nash Technical Institute has successfully linked HRD to Basic Industrial Training (BIT) through the continuing education department. In the process, the program generated the second highest institutional total of participant earnings increases in 1980-81. Such linkages offer payoffs to HRD as well as to the other training program. In the case of Nash, BIT enrollees generated continuing education FTE.

Recommendations to the State and Institutional Presidents

1. Reassess the role of the HRD program and its place within the community college system.

While on some campuses HRD has been linked with continuing education or vocational training programs, on other campuses it has operated in isolation from the mainstream of college activities. At both the state and local level, natural linkages between HRD and other institutional programs or services have been overlooked or only partially developed. Although the first HRD pilot was financed in part with new

and expanding industry funds, for example, HRD and the expanding industries program now operate in separate divisions of DCC and with separate agendas. HRD's relationship to ABE and other adult education programs is blurred: clear definitions of who should be enrolled in one program as opposed to the other are not really in place.

At the local level, a variety of opportunities to relate HRD to ongoing activities have been missed. Some schools link HRD to high school completion or GED completion, but most do not because of the disincentive to academic placements built into the EI. Ten schools volunteered to develop BIT-programs in conjunction with HRD, but only a handful followed through with successful programming. Most HRD programs also overlook the institution's admissions office as a source of referrals.

2. Consider ways to make motivational training available to a wider range of community college students and community residents.

The emphasis on motivational and self-awareness factors in HRD has been recognized increasingly as being of potential value for everyone, not just disadvantaged adults. A number of participating community colleges and technical institutes involved in this study raised that point. At least two institutions have been giving serious consideration to making HRD available to all students. DCC has also collaborated with DSS on making HRD available to participants in the state's workfare demonstration. While we would argue for the preservation of HRD as a program targeted to disadvantaged adults, we recommend making the type of training provided by HRD available to a wider spectrum of community residents.

3. Consider means by which HRD can have a direct fiscal payoff to the institution.

Several administrators proposed to us that a portion of each school's annual HRD allocation be treated as a discretionary fund which could be utilized on the school's decision for either HRD or other college program support. Supporters of that idea believe administrators would take more interest in the HRD program if they saw, in HRD, a source of direct fiscal payoff to the institution. Other supporters of the HRD program believe that move would jeopardize the HRD program and ultimately drain the program of its own fiscal resources. We tend to agree with the latter group. Schools which refer HRD graduates to academic and vocational training programs realize a payoff in terms of higher curricular FTE, which in turn translates into additional curricular funding. There may be ways, however, of facilitating a greater payoff by increasing the value of curricular FTE earned for the institution by participants following HRD with vocational program enrollments. That approach would keep funds from being diverted from HRD. We do not pretend to know enough about the potentially complicating factors involved in such a proposal. We believe the local institutions and DCC could isolate such factors, however, and collectively devise a way to accomplish the intent of this recommendation.

CONTENTS

APPENDIX A

- Exhibit 1: HRD METHODOLOGY
- Exhibit 2: INDIVIDUALS INTERVIEWED
- Exhibit 3: HRD THREE-YEAR FOLLOW-UP SURVEY
- Exhibit 4: FIELD WORK INTERVIEW GUIDE
- Exhibit 5: TELEPHONE INTERVIEW GUIDE
- Exhibit 6: HRD INFORMATION WORKSHEET
- Exhibit 7: HRD INFORMATION WORKSHEET ADDENDUM

APPENDIX B

ADDITIONAL TABLES

HRD MethodologyOverview

The major purpose of the follow-up component of this study was to assess long-term effects of the HRD program on participants. Since annual program data for the past five years were being used to review the program, some consideration was given to doing a five-year follow-up on individual participants. That approach was abandoned and the decision made to use a three-year time frame because of the availability of data for the three-year period and concerns that contact rates for the longer period might be too low to permit meaningful analysis.

The methodology for three-year follow-up on participants was developed to take advantage of the good data collection systems and knowledgeable staff available in HRD programs. The individual records stored on computer tapes in Raleigh became the primary source for sample selection and background data. Staff at each institution assisted in collecting additional background data on participants and in some cases assisted in locating participants for follow-up purposes.

Because HRD participation is heavy each year, it was necessary to use a sample to provide a representative picture of the population while keeping the size of the study manageable. Once a representative sample had been selected, three different, complementary data collection approaches were used to gather three-year follow-up information.

1. First, a computerized search of Unemployment Insurance wage record files was undertaken with the cooperation of the North Carolina Employment Security Commission. The effort here was to determine the extent to which individuals in the sample group had worked in UI-covered employment during the follow-up period and to calculate their earnings. That component of the follow-up was adopted as the best way to get accurate general earnings information on a large portion of the sample. In addition, by using data compiled in the same UI files for Comprehensive Employment and Training Act clients over the same time frame, it was possible to construct a comparison group at a modest expense.

2. The second component of the follow-up consisted of a mail survey, with questionnaires sent to each of the individuals in the sample. That component was intended to gather more detailed information about the employment experience of the sample group, including information on training undertaken after HRD. It also focused on the individuals' opinions of the worth of HRD three years after they had gone through the program. Since input for the second component depended on initiative on the part of the sample group -- returning the mail survey forms -- a response rate which would produce a smaller sample than that in the first component was anticipated.

3. The third component consisted of in-depth interviews with former participants. Here a much smaller subgroup of participants was selected from the sample and, in some cases, from outside the sample group (with every effort made to maintain representativeness

in terms of employment and population characteristics) for interviews lasting from fifteen minutes to a half-hour. Here, the study sought to gain insights into the meaning of the information developed through the other two follow-up components and through the five-year annual program comparisons.

Sampling Design

The sample of former HRD participants was chosen from all participants enrolled during the first six months of the 1979 performance year -- from May 1, 1978, through October 31, 1978. To ensure representation geographically and across programs, 20 percent of each institution's enrollees for an entire year were included in the sample -- with a minimum of 10 enrollees from each school. The sample at that point numbered 1,040.

Staff at the institutions were then asked to provide addresses and social security numbers for each participant in the sample. After that was done, the sample dropped to 1,025 because of deaths and missing addresses.

To provide a comparison group for the study, a sample was chosen of CETA clients from an adult basic education program that lacked the HRD component. The CETA participants were matched with the HRD sample by age, education, sex, and race. A total of 351 participants were so chosen, all of them terminated from CETA during the last two quarters of fiscal 1978 -- between April 1 and September 30, 1978.

Once the sample group had been established, it was possible to make the comparisons using the UI records and move on from there to the mail survey and the interviews.

The UI component

First, social security numbers for each individual in the HRD sample and the CETA comparison group were given to the Employment Security Commission. The numbers were then matched with individual wage records on the ESC files and information from those records was put on computer tapes.

That information included the total wages earned, by job, in each quarter from January 1, 1980 through March 30, 1981. Using the employer code which identifies the name and industry of all employers, wages for each job held during a quarter were summed to provide total quarterly wages, and wages for four consecutive quarters were summed to provide estimated annual wages.

Since all wages earned in jobs covered by unemployment insurance are to be reported by employers to ESC, coverage of the UI records is good -- an estimated 90 percent of all jobs in North Carolina. Using those files, the study was able to obtain records on 690 individuals, or 67.3 percent of HRD participants in the sample. Of the CETA comparison group, 231 of 351 -- or 65.0 percent -- were "found."

Participants in both samples not "found" in the files could be in one of three categories: (1) they had been unemployed or

out of the labor force since January, 1980; (2) they had been employed in "uncovered" occupations, which include the self-employed and some farm and domestic workers; or (3) they had moved from North Carolina. (For more details on the use of UI data in follow-up, see Unemployment Insurance Data: A Study of Their Utility for Follow-up of CETA Participants in Balance-of-State North Carolina [MDC, Inc., 1980]. That report outlines the technical requirements and strengths and weaknesses of the data source.)

The Mail Survey

The mail survey was designed to gather information on current and recent activities of the HRD sample population. The questionnaires contained questions on current employment status, training received since leaving HRD, opinions about the program, and income and earnings. The questionnaire was designed to be self-administered and the content, format, and wording of the questions were reviewed by HRD coordinators before the questionnaire was used.

The first mailing of questionnaires took place in May 1981. A letter describing the study and explaining how the questionnaire should be completed was included on the letterhead of the institution each participant had attended. Each questionnaire was coded with a number to allow matching the information gathered with background data on the respondent. By themselves, however, the questionnaires could not be linked to individual respondents.

The first mailing of questionnaires brought 230 responses. In June, follow-up calls were made to participants who had not responded, producing another 35 responses. In order to improve response rates, HRD coordinators attempted a second round of questionnaire deliveries, which in most cases involved hand-delivering the questionnaires to clients and picking them up again on completion. Through these and other efforts, a total of 445 responses -- 43 percent of the full sample -- were secured.

Once the mail survey responses were received, they were coded and keypunched for computerization. After being coded, the questionnaires were destroyed along with all lists which contained names, addresses, and identification numbers of participants in the sample.

For purposes of analysis, background and programmatic data from the HRD files were merged with data collected from the UI records and mail survey. That procedure created one large file with one set of observations for each individual in the sample. Background information, program participation data, placement, and one-year follow-up data came from the HRD files; wage data were collected from the UI files; and current employment, training, and earnings information and opinions about the HRD program came from the mail survey questionnaire. The file for the comparison group of CETA participants was created in a similar fashion.

The Interviews

Efforts were made to interview actual members of the sample when HRD staff could make a representative number of them available. In some cases, individuals not in the sample were interviewed. Overall, the attempt was to secure interviews representative of the entire sample group, both in general characteristics and in terms of whether the interviewees were currently employed.

Sixty-one individuals were interviewed, most of them in person (a few telephone interviews were conducted). Efforts were made to keep the interviews open-ended to provide full opportunity for the former HRD participants to make any comments they wished to make about the program, or about any aspects of their background and life before HRD and their experiences since HRD they cared to make.

Individuals interviewed were assured anonymity. They were told that only fictitious names would be used in the report. In no case was an effort made to match an individual interviewed with specific information received either from the mail survey or the UI tapes.

In writing this report, we have taken care to disguise the real identities of the former participants quoted even beyond use of fictitious names. Names of real employers were not used, nor were details included that might have given away the identity of the institution the participants had attended or the specific training and employment they may have had since HRD.

INDIVIDUALS INTERVIEWEDCOMMUNITY COLLEGE AND TECHNICAL INSTITUTE PRESIDENTS

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Dr. H. E. Beam

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Robert E. Paap
Dr. J. F. Hockaday
Dr. Richard Hagemeyer
Dr. James L. Henderson, Jr.
Dr. J. Parker Chesson, Jr.
Dr. Thurman Brock
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Dr. Phail Wynn, Jr.
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Dr. John Tart
Dr. Jesse L. McDaniel
Dr. O. M. Blake
Dr. Charles C. Poindexter
Dr. J. Reid Parrott, Jr.
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Dr. Gerald B. James
Clifton W. Paderick
Dr. Charles H. Byrd
Vincent W. Crisp
Dr. Bruce I. Howell
Dr. Clyde A. Erwin, Jr.

Beaufort County Community College
Brunswick Technical College
Caldwell Community College and
Technical Institute
Carteret Technical College
Catawba Valley Technical College
Central Carolina Technical College
Central Piedmont Community College
Coastal Carolina Community College
College of the Albemarle
Craven Community College
Davidson County Community College
Durham Technical Institute
Edgecombe Technical College
Forsyth Technical Institute
Haywood Technical College
Isothermal Community College
Johnston Technical College
Lenoir Community College
Mayland Technical College
Mitchell Community College
Nash Technical Institute
Pitt Community College
Rockingham Community College
Sampson Technical College
Stanly Technical College
Tri-County Community College
Wake Technical College
Wayne Community College

LOCAL INSTITUTIONAL ADMINISTRATORS

Thomas Umphlett	Beaufort
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Ernest Stanback	Central Piedmont
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Jack Howard	Coastal Carolina
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Calvin Gillie	Durham
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Linda Battle	Nash
Hiram Perkinson	Nash
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P. A. Best	Wayne

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Morris West
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Anson Technical College
Asheville-Buncombe Technical College
Bladen Technical College
Blue Ridge Technical College
Caldwell
Cape Fear Technical Institute
Central Piedmont
Craven
Davidson County
Edgecombe
Fayetteville
Gaston
Guilford Technical Institute
Guilford
Halifax Community College
Haywood
Isothermal
James Sprunt Technical College
Johnston
Johnston
Lenoir
Martin Community College
Mayland
McDowell Technical College
Montgomery Technical Institute
Nash
Pamlico Technical College
Piedmont Technical College
Pitt
Randolph Technical College
Richmond Technical College
Roanoke-Chowan Technical Institute
Robeson Technical College
Rockingham
Rowan Technical College
Sandhills Community College
Southeastern Community College
Southwestern Technical College
Stanly
Surry Community College
Technical College of Alamance
Tri-County
Vance-Granville Community College
Wayne
Western Piedmont Community College
Wilkes Community College
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Asheville-Buncombe
Asheville-Buncombe
Asheville-Buncombe
Caldwell
Caldwell
Caldwell
Caldwell
Caldwell
Central Piedmont
Cleveland Technical College
Craven
Davidson County
Davidson County
Davidson County
Davidson County
Edgecombe
Edgecombe
Edgecombe
Fayetteville
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Fayetteville
Gaston
Gaston
Gaston
Guilford
Guilford
Haywood
Haywood
Johnston
Johnston
Lenoir
Lenoir
Lenoir
Mayland
Mayland
Nash
Nash
Pitt
Pitt
Stanly
Stanly
Stanly
Tri-County
Wayne
Wayne

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ESC (Caldwell)
Options Program (Caldwell)
City of Charlotte Manpower Office
(Central Piedmont)
ESC (Davidson County)
DSS (Davidson County)
Davidson County CETA (Davidson County)
Davidson County CETA (Davidson County)
Mental Health (Edgecombe)
DSS (Edgecombe)
VR (Edgecombe)
ESC (Edgecombe)
Region L CETA (Edgecombe)
Cumberland County CETA (Fayetteville)
Cumberland County CETA (Fayetteville)
DSS (Fayetteville)
Displaced Homemakers (Fayetteville)
ESC (Gaston)
Gaston County Employment and Training
Program (Gaston)
Probations (Gaston)
Mountain Projects, Inc. (Haywood)
Mountain Projects, Inc. (Haywood)
Smoky Mountains Mental Health Center
(Haywood)
DSS (Haywood)
DSS (Haywood)
ESC (Haywood)
Region A CETA (Haywood)
Region J CETA (Johnston)
ESC (Lenoir)
WAMY Community Action (Mayland)
DSS (Mayland)
DSS (Mayland)
ESC (Mayland)
DSS (Nash)
DSS (Nash)
ESC (Nash)
ESC (Pitt)
DSS (Pitt)
DSS (Pitt)
Martin County Manpower (Pitt)
ESC (Stanly)
Centralina Council of Governments
(Stanly)
DSS (Stanly)
VR (Stanly)
DSS (Tri-County)
ESC (Tri-County)
DSS (Wayne)
ESC (Wayne)
Adult Work (Wayne)
WAGES (Wayne)

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Jack Hanna
Mary Fulkerson
Wayne West
Judy Ramsey
Star Lawson
Danny Tudor

Singer Furniture (Caldwell)
Lincoln National Insurance Company
(Central Piedmont)
One-Price Tire Store (Central Piedmont)
Frank IX Industries (Davidson County)
Edgecombe Manufacturing Company
(Edgecombe)
Black and Decker, Inc. (Fayetteville)
Adult High School Diploma Program
(Fayetteville)
Fayetteville Automotive Warehouse
(Fayetteville)
Morris Barbecue (Gaston)
Gaston County Registrar of Deeds
(Gaston)
Rayovac (Lenoir)
Minpro Supply Company (Mayland)
Barry Weaver and Associates Realty
(Mayland)
UPS (Nash)
K-Mart (Nash)
Texfi Inc. (Nash)
Clifton Precision (Tri-County)
Lee Manufacturing (Tri-County)
Dewey Brothers (Wayne)
Seymour Johnson Air Force Base (Wayne)
Goldsboro Holiday Inn (Wayne)
NCNB (Guilford)
Sears (Guilford)
Levi Strauss (Guilford)

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Title II-BC, IV Grants Manager
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Joseph Sturdivant	Director, Industry Services Division, Department of Community Colleges
Major Boyd	Director, Adult Developmental Services Section, Department of Community Colleges
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Al Boyles	Former Director, Greensboro Manpower Center
Bruce Jones	Former Director, Greensboro Manpower Center
Jerry Berkelhammer	Former Deputy Director, Greensboro Manpower Center
Harry Clarke	President, Western Carolina Industries
Dan Grindstaff	Former Director, Mountain Manpower
Abbott Weatherly	Former Director, Craven Center
George Autry	President, MDC, Inc.
Terry Pridgen	MDC, Inc.
James Godwin	MDC, Inc.
Chris Sanford	Formerly of MDC, Inc.

THE FIRST GROUP OF QUESTIONS ASKS ABOUT CURRENT JOBS AND WORK ACTIVITIES SINCE LEAVING HRD.

1. ARE YOU WORKING IN A PAID JOB NOW?

☐ Yes. If yes, go on to question 1.a.

☐ No. If no, go on to question 1.j.

- a. Who do you work for? (Name of company, business, or employer.)

- b. What kind of business or industry is this? (For example: restaurant, grocery store, textile mill.)

- c. What kind of job do you have in this business or industry? (For example: waitress, cashier, machine operator.)

- d. What are your most important duties or activities on this job? (For example: waiting on tables, keeping machine running.)

- e. How many hours do you usually work at this job each week?
_____ hours per week
- f. If you could choose how many hours you would work each week, would you: (pick one)
_____ work more hours each week than you usually work
_____ work fewer hours each week than you usually work
_____ work about the same number of hours
- g. How much do you earn at this job before taxes and other deductions? (Fill in dollars and cents and check appropriate box.)
\$ _____ ☐ per hour ☐ per month
☐ per week ☐ per year
- h. How long have you held this job? (Please check only one box.)
☐ 3 months or less ☐ 1-2 years
☐ 3-6 months ☐ more than 2 years
☐ 6 months to 1 year

GO ON TO NEXT PAGE

- j. Which statement below describes the main reason that you are not working? (Please check only one box.)
- ☐ I am looking for a job, but haven't found one yet.
- ☐ I couldn't find a job, so I quit looking.
- ☐ I was laid off and I'm waiting to be called back to work.
- ☐ I am in school or training.
- ☐ I have family responsibilities and cannot work.
- ☐ I have been sick and cannot work.
- ☐ I can't get transportation to work.
- ☐ I don't want to work.
- ☐ Other (please explain) _____

- k. How long has it been since you last worked in a paid job?
- ☐ less than one month
- ☐ 1-3 months
- ☐ 3-6 months
- ☐ 6 months-3 years
- ☐ more than 3 years

GO ON TO NEXT PAGE

2. How many paying jobs have you had since you left the HRD program in 1978?
_____ jobs

THE NEXT GROUP OF QUESTIONS IS ABOUT TRAINING YOU HAVE RECEIVED SINCE YOU LEFT THE HRD PROGRAM.

3. Have you attended any of the following schools or training programs since the time you were in HRD?

☐ GED or High School Equivalency

☐ Community College or Technical Institute

☐ Private Technical, Vocational or Business School

☐ Four-year College

☐ Other (please write in) _____

☐ Have not attended any school or training.

4. Are you currently in school or a training program?

☐ Yes. If so, what type of school or training program are you enrolled in?

☐ GED or High School Equivalency

☐ Community College or Technical Institute

☐ Private Vocational, Technical or Business School

☐ Four-year College

☐ Other (please write in) _____

What are you learning to do? (For example: carpentry, key punching, nurses aid.)

☐ No.

5. Have you received your GED or High School Equivalency diploma since leaving HRD in 1978?

☐ Yes

☐ No

6. Have you received any other diploma or certificates since leaving HRD?

☐ Yes

☐ No

7. Have you been in a CETA training program since leaving HRD?

☐ Yes

☐ No

☐ Don't know

8. Have you had a CETA PSE (public service employment) job since leaving HRD?

☐ Yes

☐ No

☐ Don't know

THE NEXT GROUP OF QUESTIONS ASKS ABOUT HOW YOU THINK THE HRD PROGRAM AFFECTED YOU. PLEASE THINK ABOUT WHAT YOU HAVE DONE THE PAST THREE YEARS AND ANSWER THE FOLLOWING QUESTIONS.

9. In what way did the HRD program help you most?

10. Overall, how would you rate the HRD program as a way to help people get jobs? (Check one box.)

☐ Excellent ☐ Good ☐ Fair ☐ Poor

11. How do you think the HRD program helped you in each of the following areas? (Check one box for each.)

a. Getting and keeping a job.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

b. Finding out about job openings.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

c. Getting along with other workers.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

d. Getting along with bosses.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

e. Speaking and listening skills.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

f. Math and reading skills.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

g. Taking care of myself and my family.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

h. Deciding what I want to do in the future.

☐ Helped a lot ☐ Helped some ☐ Didn't help at all

12. What other things could the HRD program have done to help you?

13. Would you recommend HRD to a friend?

☐ Yes ☐ No

THE FINAL GROUP OF QUESTIONS ASKS ABOUT YOUR INCOME DURING 1980. THIS INFORMATION IS NEEDED TO STUDY THE PROGRAM, BUT IT WILL BE CONFIDENTIAL. YOUR NAME WILL NOT BE USED WITH THE INFORMATION AND NO ONE WILL BE ABLE TO OBTAIN INFORMATION ON YOU FROM OUR FILES.

14. How much money did you earn from jobs in 1980, before anything is taken out? \$ _____
15. Did you receive AFDC or welfare payments in 1980?
- ☐ Yes. If so, what was the total amount you received during 1980? \$ _____
- ☐ No
16. Did you receive food stamps during 1980?
- ☐ Yes. If so, what was the total amount you received during 1980? \$ _____
- ☐ No
17. Did you receive unemployment compensation in 1980?
- ☐ Yes. If so, what was the total amount you received during 1980? \$ _____
- ☐ No
18. Were you in a training program in 1980?
- ☐ Yes. If so, how many weeks were you enrolled? _____ weeks
How many hours were you in class each week? _____ hours
- ☐ No
19. Check the block below that shows your total income (only yours, not your whole family's) before taxes in 1980. In addition to money shown above, this might include social security, pensions, child support or any other income received.
- | | |
|--|--|
| ☐ no income | ☐ \$7,501 - \$10,000 |
| ☐ less than \$1,000 | ☐ \$10,001 - \$15,000 |
| ☐ \$1,001 - \$2,500 | ☐ \$15,001 - \$20,000 |
| ☐ \$2,501 - \$5,000 | ☐ more than 20,000 |
| ☐ \$5,001 - \$7,500 | |

THANK YOU FOR ANSWERING THESE QUESTIONS. PLEASE PLACE THIS SURVEY IN THE ENVELOPE ADDRESSED TO MDC AND MAIL IT TODAY.

Analysis of the Human Resources Development Program

Revised Field Work Interview Guide

MDC, Inc.
April 1981

This interview guide has been designed to help MDC staff organize and conduct field visits to HRD program sites. The guide is divided into five sets of questions, one for each type of person to be interviewed. The guide may not cover all of the issues that might surface during the field visits. Staff are free to explore other issues of interest within the time constraints of the field work. Unless otherwise advised, however, staff should assume that interviews must be scheduled with the specified personnel and that all of the issues highlighted in the preface of the five sections of this guide must be explored and analyzed thoroughly.

The following types of individuals should be interviewed:

- I. Community college administrative personnel (including the President, Dean of Fiscal Affairs and Dean of the division HRD is located in -- usually Continuing Education or Learning Resources)
- II. HRD administrators and staff (can vary from two to ten persons; try to talk to an instructor, job developer, counselor, and recruiter)
- III. Staff employed by agencies associated with the HRD program (ESC, DSS, VR, MH, CETA, CAP agencies or others)
- IV. Employers (try to get at least two)
- V. Community members (clergy, reporters, local officials, etc.) or other college personnel who are familiar with the program objectives and accomplishments.

Interviews with persons from categories I, III, IV and V can probably be completed in 30 minutes. You may wish to schedule up to 60 minutes for college administrative personnel, however, depending upon their knowledge and/or interest in HRD. Plan on spending as much time as possible with HRD staff and try to schedule at least some time (30-45 minutes) for observation of classroom or other HRD activity. Prior to scheduling a field visit, staff should review the file of materials we have collected for each program. These as well as annual performance reports can be borrowed from Carol Lincoln's office. To the extent possible field interviews should be designed to augment data already available in these files.

HRD coordinators will set up interview appointments upon request. MDC staff will need to determine what persons are appropriate for interviewing based on the coordinator's suggestions. Staff are encouraged to contact the coordinator by phone to discuss the visit and then follow up with a letter confirming the details of the visit. A sample letter is attached.

We are aware of two problems which may complicate site visits: 1) CETA staff are often located far away from HRD offices; and 2) some programs operate at 2 or more locations with different staff and program design. CETA staff may be willing to meet with MDC staff at the HRD program or another mutually convenient spot. Try to work something out along these lines. As for sites with multiple locations, visit staff at as many sites as is feasible but at least be sure to determine how site operations differ, if at all, at the several sites.

This interview guide will be field tested during the week of April 20 and if necessary, revised by April 30. If you have any questions or suggestions on the guide, please share them with Linda Jacobs by April 27. A sample field report will also be available around April 30. Field work at the other sites may be scheduled between May 1, 1981 and June 30, 1981.

Budget constraints make it necessary to compress field visits into two days plus travel time. Reports should be submitted for typing within one week of the visit. All reports must be completed by June 30, 1981. Since there is no money budgeted for editing, reports need to be in respectable shape when submitted for typing. Site reports will be used as in-house documents but will be shared with DCC. Preparation of site reports cannot exceed four days. Hence, total time available for each field analysis is eight days -- 1 day for preparation, 3 days to conduct the site visit, and up to 4 days to write the report.

I. Community College Administrative Personnel

One of the key objectives of these interviews is to determine the degree of understanding college administrative personnel have of HRD and what level of support they and the institution have given the HRD program. It is also important to determine these administrators' understanding of and attitudes towards the efficiency index. Finally, these administrators should be asked to assess the impact of HRD on the community college and the community in general. Here they may be able to relate specific examples of how the college has modified its curriculum, enrollment policies or other procedures because of HRD.

Persons to be interviewed: 1) College president; 2) Dean of the division HRD is located in; 3) Dean of Fiscal Affairs

Approximate length of interviews: 30-60 minutes each.

- * * What are the overall objectives of the HRD program in your institution?
- * * How has the program emphasis changed over the years? Why have these changes occurred?
- * What relationship does the HRD program have with other programs in your institution? How has this relationship changed over time? Why?
- * Does the program have close ties with other agencies or groups in the community? What effect, if any, have these relationships had on this institution?
- * * Does the program have close ties with industry? Has it had any effect on the attitudes of business towards the community college in general?
- * What are the general characteristics of students who enroll in HRD? How do they compare with students enrolled in other programs in the institution?
- * What is the difference between students enrolled in HRD and in ABE or learning labs?
- * * What type of individual does the HRD program serve most effectively?
- * Does the HRD program pay stipends to participants? If so, how important are stipends to the HRD program?
- * * What difference does it make that HRD is funded by a competitive efficiency index while other college programs are not?
- * * What types of administrative problems are created by the funding formula?
- * * Is the method of funding equitable? If not, how should the level of funding be determined?

- Do other programs in your institution benefit from the HRD program in terms of equipment, space, staff, etc. provided through HRD program funds?
- HRD appropriations have not kept pace with program growth and inflation and statewide HRD enrollment has declined steadily over the last 3 years. How close are we to reaching the point where it is no longer feasible or cost effective to run HRD in all the schools that have HRD programs? in your school?
- How do you monitor the performance of HRD personnel? Does the annual performance report help you to assess the strengths and/or weaknesses of your HRD program? Do you routinely meet with HRD personnel to discuss program performance and/or program refinement?
- In general, what is the opinion of others on your staff of the HRD program?
- Have you ever discussed the HRD program with other community college administrators? If so, is there any consensus of opinion among community college administrators statewide toward the program? Are opinions about the program generally positive or negative?
- * • What aspects of the program would you recommend be changed?
- * • Is there potential for adopting elements of the HRD program as part of national efforts to move welfare clients to work? How do you think the program might be used?

II. HRD Administrators and Staff

The degree of involvement HRD coordinators have with day-to-day program operations will vary among the programs. Some coordinators work exclusively on HRD. Others divide their time among five or more programs. The latter group may be able to talk in only general terms about HRD. Both types of coordinators need to be interviewed, but obviously at different lengths.

Interviews with coordinators and staff should focus on the basic program philosophy that guides programmatic approach and decision-making. What is the purpose of HRD and who should it serve are key questions. Also important is how has program operation changed over the years and for what reasons. Some program staffs may be able to explain how pressures from CETA, the school administration, ESC or other outside forces have made HRD modify its original program focus and philosophy. A final issue is what is the program really accomplishing and for whom?

Persons to be interviewed: HRD coordinator and key staff.

At most sites key staff will include an instructor, job developer and counselor. (Recruitment and follow up are often assigned to staff with multiple responsibilities.) Sites with separate staffs at two or more locations will present problems. At such sites, staff should be interviewed fairly thoroughly at the main site while only lead personnel should be interviewed at the other sites.

Length of interviews: This will vary greatly. Up to half of the site visit time may be needed for staff interviews.

- * • What are the basic philosophies behind the program design and approach (work ethic, staff as student advocate, job preparation versus GED)?
- * • What are the overall objectives of the program? Are these objectives understood by students, other agencies you work with, employers, the community college, and the community?
- * • Describe the general mechanics of program operation (recruitment, screening and assessment, counseling, instruction, job development/ placement, and follow-up).
- * • Describe in detail any innovative program components or approaches.
- * • What do your recruitment activities entail? Do you recruit specific target groups? Do you use specific recruitment techniques for specific target groups? How much "old fashioned" outreach do you do?
- * • How do you determine eligibility for your program? Do you have more eligible participants than you can serve? How do you choose among eligible participants?
- * • To what extent does HRD compete with other local training and employment programs for participants?

- Describe your counseling process. Are all staff members involved? Is individual and/or group counseling provided? What are the topics covered in counseling? How much time is spent helping students with personal problems -- has this emphasis changed over time? Does your program offer post-placement coaching or counseling?
- * • What are the strengths/weaknesses of your instructional components? Do you rely on individual and/or group instruction? Do you focus on basic skills, GED, or job preparedness? How was the curriculum developed? Have the components changed over time? How? Have any other approaches been tried?
- * • Describe the relationship between HRD and area employers? Is job development a major program activity? Do HRD staff develop and/or find jobs or do you emphasize teaching students to find their own jobs? Are employers involved in job preparation? In what ways (industry speakers, tours of work sites)? How could relations with employers be strengthened?
- * • How has job availability fluctuated over the years? How has the HRD program responded?
- Under what circumstances do you encourage students to enroll in training or academic programs instead of seeking full-time employment?
- Describe supportive services provided through the HRD program. Which services are most critical to student participation? What additional services are needed?
- Do your students receive any services from other agencies while in the HRD program? How important are these services?
- * • Are program dropouts a significant problem? What are the primary reasons for non-completion?
- * • Describe your follow-up activity. Is any follow-up conducted in addition to the required amount? What kind and how much follow-up do you do for non-completers? Is follow-up information on non-completers included in the data used to compute your EI? What happens to completers who are not placed on jobs or in training? What happens to non-completers?
- * • Describe linkages with other programs. Which are most important? Would your program benefit from stronger relations with any particular program?
- * • Specifically, what is your relationship to CETA? What are the pros and cons of utilizing CETA resources for HRD?
- * • What is your relationship with DSS? Do many HRD students continue to receive DSS services while in HRD? How many students return to DSS for services after completing HRD?

- From which agencies or groups do you receive referrals? What is the quality of the referrals? Are referrals generally enrolled in the HRD program? Do any agencies hesitate to refer clients who will no longer need their services as a result of HRD?
- Do you refer HRD students to other agencies for services? What type of student do you refer most often and for which services?
- What impact does the program have on participants (if possible get a few specific examples)?
- * • Is the program particularly effective in working with a specific target group or groups? Which groups?
- * • Do you measure academic gains other than GED completion? If so, what are the average gains?
- Does your program use stipends? What is your opinion of stipends? Are they essential to enable certain individuals to participate? How heavy is the paperwork? Do stipends conflict with overall program philosophy?
- How do you collect the data necessary for EI? Is the data useful to you in program administration?
- * • What accounts for changes in your program's EI over the years?
- What effect does EI have on program operations? How would this HRD program change if the EI was eliminated as a funding criterion?
- What effect does EI have on staff performance?
- Is the EI an equitable funding mechanism? If not, how should it be modified?
- What effect does the EI and the uncertainty of the level of funding from year to year have on staff turnover?
- Has the quality of staff and/or staff turnover been a problem? If so, why? Do staff who have been involved with the program for several years eventually "burn out"?
- Do staff go from the HRD program to other positions in the community college or technical institute? If yes, what types of positions? If no, why not?
- Do staff have any responsibilities in the institution in addition to the HRD program? What are they?
- How closely involved with the day-to-day operation of HRD is the HRD coordinator?

- * • Have HRD allocations alone been sufficient to administer HRD?
- Are any of the staff or other administrative costs covered by CETA funds and/or other non-HRD funds? Is the HRD coordinator also the CETA liaison for the institution?
- * • What is the relationship of the HRD program with the community college? Has HRD had any effect on the institution -- its attitude towards serving a wide range of individuals, or changes in specific services?
- Are HRD students considered to be part of the larger student body? Are student fees paid?
- Do other programs in your institution benefit from the HRD program in terms of equipment, space, staff, etc. provided through HRD program funds?
- * • How many HRD students enroll in other community college programs after HRD? Other skills training programs? How successful have these persons been in completing such programs?
- * • Would you like to change the existing relationship with the community college? If so, what actions would be required?
- Is there a program advisory committee? If so, what is its role and what types of individuals comprise its membership. How has it been helpful to program operations?
- * • What is the relationship between HRD and the community? Are there any specific public relations activities? Does the community offer any specific type of support to the program? How could the program's image and visibility in the community be improved?
- * • Is there potential for adopting elements of the HRD program as part of national efforts to move welfare clients to work? How might HRD be used for this?

III. Staff Employed by Agencies Associated with the HRD Program

These interviews are designed to determine the nature of the relationships between HRD and other service agencies in the community. Also important are how, when, and why the relationships were developed and what advantages they bring to HRD as well as to the cooperating agencies. Some agencies may be able to assess the impact and effectiveness of HRD by providing data on the number of referrals that have been made either to HRD or from HRD, the number of clients moved off welfare roles because of HRD, or other measures of effectiveness.

Persons to be interviewed: Most programs are linked to ESC, DSS and CETA. Many are also tied to VR, MH, CAP agencies or the criminal justice system. Ask the HRD coordinator to help you select the most important agencies and to identify the persons in those agencies most knowledgeable about the every day operation of HRD.

Length of interviews: 30 minutes each.

- * • What is the relationship between HRD and your agency? How and when was this relationship initiated?
- * • How do the HRD program objectives relate to your agency objectives?
- Are there any written agreements between your agency and the HRD program? (If so, obtain copy of agreement.)
- Does your agency provide any financial support to HRD? If so, how much money do you provide and for what purposes?
- Does your agency have any specific mechanism for determining which participants should be referred to certain types of programs administered either by your agency or by other agencies?
- Are clients referred from your agency to HRD? If so, what are the characteristics of the clients you usually refer?
- Do you know whether or not the HRD program pays stipends? If so, does that affect the referrals you make to the program? How does the presence or absence of stipends affect the HRD program?
- Does your agency receive any referrals from HRD? If so, what types of individuals are referred and for what types of services?
- * • What is your opinion of the HRD program? Are there any specific components which are particularly strong? weak?
- * • How does the HRD program compare to other programs in your area which are designed to help prepare and place individuals in jobs?
- * • What type of person benefits most from HRD?

- * • Is the HRD program effective in moving people from welfare to work? If so, does it have any effect on the demand for your program's services?
- * • Have you followed-up or received feedback from individuals your program has referred to HRD or on individuals who have come to you from the HRD program? If so, have you noticed any differences in the performance of clients who receive HRD compared to other clients?
- Are any HRD staff on your advisory committee or on other advisory groups which relate to your agency?
- Has the HRD program changed during the period in which you have been associated with it? If so, in what ways?
- * • What changes would you recommend in the HRD program design or approach?

IV. Employers

Employers who have hired HRD participants or have worked cooperatively with the HRD program should be asked to describe and assess their overall experiences with the HRD program and its participants. Key issues are whether HRD prepares persons to be good employees and, if so, are HRD participants any more reliable or capable than other employees. A final issue is whether the private sector views HRD as a public program worth becoming involved with.

Persons to be interviewed: Two employers of HRD participants
(more if time allows).

Length of interviews: 30 minutes or less each.

- What experience have you had with the HRD program?
- * • How did you become involved with the program?
- What methods do you usually use to recruit employees?
- * • How many HRD participants have you hired?
- How long have they worked for you?
- What types of jobs have they filled?
- What are the characteristics of HRD participants hired by your firm (age, sex, education)?
- * • How do the HRD students compare with your other employees (characteristics, dependability, productivity, work attitude)?
- * • What is the most important effect HRD has on participants?
- * • What is your overall assessment of the HRD program in your area?
- * • How does the HRD program compare with other programs in your area which are designed to help individuals prepare for and find and keep jobs?
- Do you recommend the HRD students to other employers in your area?
- * • Are there ways in which the program could better prepare students for work?
- * • Are there ways in which HRD program staff could work more effectively with the private sector?

V. Community Members

This will be a difficult group to select and interview. Persons interviewed will be asked to report on the visibility and reputation of the HRD program in the community. They will also be asked to assess the impact of HRD on the community and to speculate on the utility of the HRD model for welfare reform. If these important issues overwhelm them, the community members should at least be able to tell us what they perceive to be the purpose of HRD, who it serves, and how important, relatively, the program is to the community.

Persons to be interviewed: Persons with a working knowledge of HRD -- possibly clergy, elected officials, other college personnel, parole officers and the like.

Length of interviews: 30 minutes or less each.

- * • What is your relationship with the HRD program?
- * • What are the overall objectives of the program?
- * • How is the HRD program perceived by various groups in the community (employers, educators, churches, other service agencies)?
 - What are the characteristics of individuals served by the HRD program?
 - Are they also served by other programs in your area? Do the related programs work together?
- * • How does the HRD program compare to other programs in your area which are designed to help individuals prepare for, find and keep jobs?
- * • What aspects, if any, of the program are especially effective?
- What program components or approaches would you recommend changing?
- Would the program benefit from increased visibility in the community? If so, what steps should be taken to make the program more visible and/or to improve its public image?
- * • Is there potential for adopting elements of the HRD program as part of national efforts to move welfare clients to work? How might this be done?

VI. Observation of HRD Program Activity

Site visits should include observation of HRD program activities whenever possible. The purpose of the observation is to get first hand experience relating to program operations. Activities observed could include a classroom session, staff review of student applications, an advisory committee meeting, a class reunion, group counseling sessions, review of individual instructional materials, and informal discussion with students at the program site.

Describe the activity observed. Who was involved and what was the purpose of the activity? Give your general impressions of the success, usefulness or quality of the activities.

Analysis of the Human Resources Development Program

MDC, Inc.
May 1981

Telephone Interviews

Persons to be contacted:

President of the Institution (contact first)
Dean of the Division HRD was located in or Dean of Continuing
Education
Others as recommended by President

Name of School _____

Person Contacted _____ Date _____

I. Institutions which have never run HRD programs

- A. Are you familiar with the HRD program?
- B. What is your perception of the program objectives? What types of individuals are served best by the program?
- C. Are you familiar with the funding formula? If so, what is your opinion of the formula?
- D. Have you ever considered running an HRD program at your institution? If so, why did you elect not to run one?
- E. What is your overall assessment of the program? Are there any changes in the program you would recommend which would make it more attractive as a potential offering of your institution?
- F. Are HRD target groups currently served by your institution? If so, how? What other resources in the community are used to prepare the disadvantaged for jobs?

II. Institutions which dropped the HRD program

- A. Are you familiar with the HRD program?
- B. What is your perception of the program objectives? What types of individuals are best served by the program?
- C. What is your opinion of the funding formula?

- D. Describe the HRD program formerly offered at your institution -- goals, components, target groups, staff, funds.
- E. Why was the program dropped?
- F. Did other programs at your institution pick up the services offered through the HRD program? What other resources in your community are used to prepare the disadvantaged for jobs?
- G. Are there aspects of HRD that could be changed that would cause you to reconsider offering HRD at your institution?
- H. Are there any other individuals in your institution we should talk with about your former HRD program?

III. Institutions which are on the waiting list to operate an HRD program

- A. Are you familiar with the HRD program?
- B. What is your perception of the program objectives? What types of individuals are served best by the program?
- C. What is your opinion of the funding formula?
- D. What factors influenced your decision to offer an HRD program at this time?
- E. Are HRD target groups currently served by your institution? If so, how? What other resources in your community help prepare the disadvantaged for jobs?
- F. What will the overall goals of your HRD program be? What will the program look like (design, staffing, industry ties, etc.)?
- G. Are there any other individuals I should talk with about your future HRD program?

ANALYSIS OF THE HUMAN RESOURCES DEVELOPMENT (HRD) PROGRAM

HRD Information Worksheet

This worksheet has been designed to collect program specific information for the HRD study MDC, Inc. is conducting for the North Carolina Department of Community Colleges. Other data available from the Department of Community Colleges, such as the HRD annual performance reports and individual participant records, will be combined with the worksheet information to formulate a profile of the HRD program across the state. The profile will be used to highlight the similarities as well as the variations among the 46 programs. None of the information will be displayed in a manner which identifies individual participants or staff members.

Your assistance in gathering this information is greatly appreciated. If you have questions about how to complete the worksheet, contact Carol Lincoln at MDC, Inc., (919) 968-4531. PLEASE BRING THE COMPLETED WORKSHEET WITH YOU WHEN ATTENDING ONE OF THE REGIONAL MEETINGS FOR HRD COORDINATORS SCHEDULED IN MARCH 1981.

General Program Characteristics

1. Name of institution _____
_____.

2. a. If there is only one site, is it on or off campus? ____ on ____ off
b. If there are multiple sites, what are their locations and why have they been established (for example, located in an adjacent county to serve isolated population)?

Location

Reason for separate location

_____	_____
_____	_____
_____	_____

- c. If there are multiple sites, does the program design differ at the several sites? ____ yes ____ no If yes, what are the major differences?

3. Please provide the following information for your program.

- a. Cycle length: ____ weeks
b. Cycles scheduled this performance year: ____
c. Average enrollment per cycle: ____
d. Scheduled class hours per week: ____

4. How many years has the HRD program been in existence at your school? _____ years

Program Components

5. What types of training are currently included and paid for by the HRD program?

_____ Consumer Education
_____ GED Preparation
_____ Adult Basic Education (ABE)
_____ Legal Aide
_____ Basic Skills
_____ Skills Training
_____ Basic Industrial Training (BIT)
_____ Other (specify) _____

6. What percentage of total staff time is spent on each of the following (Note: numbers should add to 100):

_____ % Recruitment
_____ % Screening and Assessment
_____ % Instruction
_____ % Counseling
_____ % Placement
_____ % Follow-up
_____ % Other (specify) _____

7. Check the supportive services that are offered in conjunction with HRD and list the approximate percentage of students receiving each:

	% receiving the service
_____ Transportation	_____
_____ Day Care	_____
_____ Stipends	_____
_____ Other (specify)	_____

Linkages with Other Programs

8. Does the HRD Coordinator have direct responsibility for other community college programs? _____ yes _____ no If yes, which ones?

_____ CETA liaison
_____ GED
_____ ABE
_____ Other (specify) _____

9. Does the HRD program have formal written agreements with any of the following local agencies? If so, what services are the agreements for?

Services provided

☐ CETA	_____
☐ OIC	_____
☐ ESC	_____
☐ Social Services	_____
☐ Other (specify agency and purpose)	_____

10. Does the HRD program have informal linkages (unwritten agreements) with any of the following? If so, what is the purpose of the linkage?

Purpose

☐ CETA	_____
☐ ESC	_____
☐ Social Services	_____
☐ Vocational Rehabilitation	_____
☐ Other (specify agency and purpose)	_____

11. Have procedures or agreements been developed with other community college departments or staff members to assist HRD students? (For example, have links been developed with the registrar's office to assist HRD clients who wish to enroll in other institutional programs or are certain vocational programs especially cooperative in enrolling HRD graduates.) _____ yes _____ no
If yes, describe the activities _____

Special Target Groups

12. Are special efforts made to recruit welfare recipients because of the efficiency index weighting? _____ yes _____ no If yes, please describe efforts:

If no, why not? _____

13. Are special efforts made to recruit any other types of participants?

☐ Inmates
☐ Veterans
☐ Minorities
☐ Heads of households
☐ Displaced homemakers
☐ Handicapped
☐ Youth
☐ Other (specify) _____

Funding

14. Please identify the sources of funding for your program this performance year, the amount of funds, and what the funds are used for.

	Source	Amount	Purpose
Example:	CETA	\$9,000	Staffing and office supplies
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

Staffing

15. For each person on your HRD staff, complete the following chart and attach job descriptions if available. Your answers may be brief.

	1st staff member	2nd staff member	3rd staff member	4th staff member	5th staff member
Job Title If responsible for several components, list % of time spent on each (for example, 35% instructor, 65% job developer)					
Funding source (for example, CETA, HRD)					
Hours worked per week					
Education level - years of school completed					
- if CC or college grad, list major					
Number of years on HRD staff					
Work experience prior to joining HRD staff (major fields of experience only, for example, 10 years in teaching, 5 years in sales)					

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Staffing

15. For each person on your HRD staff, complete the following chart and attach job descriptions if available. Your answers may be brief.

	6th staff member	7th staff member	8th staff member	9th staff member	10th staff member
Job Title If responsible for several components, list % of time spent on each (for example, 35% instructor, 65% job developer)					
Funding source (for example, CETA, HRD)					
Hours worked per week					
Education level - years of school completed					
- if CC or college grad, list major					
Number of years on HRD staff					
Work experience prior to joining HRD staff (major fields of experience only, for example, 10 years in teaching, 5 years in sales)					

Attach job descriptions here.

If you have other materials, such as clippings of news articles, brochures or special reports, which you think will help MDC learn about your HRD program, please attach them to this worksheet.

Thank you for your assistance. The completed form should be returned to MDC at the regional meeting you are scheduled to attend.

ANALYSIS OF THE HUMAN RESOURCES DEVELOPMENT PROGRAM

MDC, Inc. - April 1981

HRD Information Worksheet Addendum

This addendum to the HRD Information Worksheet completed by HRD coordinators in March has been designed to determine what eligibility criteria are used by the 46 HRD programs. By eligibility criteria, MDC means conditions your program requires participants to meet before being enrolled in HRD. In answering questions 2-9, you should describe criteria which are applied to every prospective participant. Question 10 asks whether special components have been designed for particular target groups.

Your assistance in completing this worksheet is greatly appreciated. If you have questions about how to complete this form, please call Carol Lincoln at (919) 968-4531.

1. Name of school _____
2. Does your program have any age restrictions for participation?
____ Yes ____ No If yes, please specify what the restrictions are. _____

3. Does your program require participants to have achieved a minimal education level prior to enrollment? ____ Yes ____ No If yes, what is the minimal grade or performance level? _____

4. Does your program allow high school graduates or persons with equivalency diplomas to enroll? ____ Yes ____ No
Persons with some college? ____ Yes ____ No
Persons with 2-year or 4-year degrees? ____ Yes ____ No
5. Does your program require that all or a portion of the participants be CETA-eligible? ____ Yes ____ No
If yes, what percent must be CETA-eligible? ____ percent
6. Does your program place an upper limit on the amount of income a participant may have earned prior to enrollment?
____ Yes ____ No
 - a. If yes, is this limit based on individual or family income?
____ Individual
____ Family
 - b. What is the income limit?
\$ _____ per _____ (time period)

7. Does your program require that participants be unemployed at the time of enrollment? ☐ Yes ☐ No If yes, for how long before enrollment must a person be unemployed? _____
8. Does your program restrict enrollment to females only?
☐ Yes ☐ No
9. Does your program have any other eligibility criteria which must be met for participation in the program?
☐ Yes ☐ No If yes, please describe. _____
10. Does your program include one or more special projects or components that require participants to be one of the following? Check all that apply.
- ☐ inmate
 - ☐ displaced homemaker
 - ☐ juvenile offender
 - ☐ handicapped (physically or mentally)
 - ☐ dropout
 - ☐ ex-offender
 - ☐ other (specify) _____
 - ☐ other (specify) _____
 - ☐ other (specify) _____

Thank you for your assistance. The completed form should be returned to MDC by April 24.

MDC, Inc.
Post Office Box 2226
Chapel Hill, North Carolina 27514

MDC, Inc.
April 1981

APPENDIX B

Appendix Table 1

**Additional Responses to MDC Survey
Labor Force Status**

% Employed at 3-year follow-up, by program exit status (n=442)	
Job-placed, early completers	62.9%
Job-placed completers	53.3
Training-placed completers	39.5
Other completers	49.5
Noncompleters	45.0
Job-placed within 12 months	69.8
Not placed within 12 months	35.7
Number of jobs since HRD training (n=442)	
None	13.3%
One	29.6
Two	31.6
Three to five	22.7
Six or more	25.4
Industry employment by place of work (n=223)	
Agriculture, forestry	3.1%
Construction	3.1
Food and tobacco production	1.7
Textiles and apparel	25.8
Other manufacturing	12.0
Transportation, communication, utilities	0.9
Wholesale and retail trade	15.1
Finance, insurance, real estate	2.7
Services	31.1
Public administration	3.6
Unknown	0.9
Attitudes toward work hours (n=223)	
Satisfied with current number of hours/week	60.4%
Prefer to work more hours per week	29.0
Prefer to work fewer hours per week	10.6

Source: MDC Survey of 1976 HRD Participants, Conducted 1981.

Appendix Table 2

Additional Responses to MDC Survey
Program Assessments
(n=428)

Rankings of program emphases			
	Helped <u>a lot</u>	Helped <u>some</u>	Did not <u>help</u>
Getting and keeping a job	50.5%	32.5%	16.7%
Finding out about job openings	45.3	39.5	15.2
Getting along with other workers	62.8	29.5	7.7
Getting along with bosses	57.2	33.0	9.7
Speaking and listening skills	60.0	35.7	4.3
Math and reading skills	50.1	41.6	8.1
Taking care of myself and my family	50.2	37.9	11.9
Deciding what I want to do with my future	54.2	35.1	10.7
Ways HRD could be improved (open-ended question)			
Program does not need improvement		12.5%	
Could provide more help in finding jobs		11.8	
* Could provide more help in finding training		6.8	
Could work more on communication skills		2.7	
Program should last longer		2.5	
No response		63.7	

Source: MDC Survey of 1978 HRD Participants, Conducted 1981.

Appendix Table 3

Employment History for 1978 HRD and ABE Participants

	HRD (n=1024)	ABE (n=351)
Number of employers since training		
None	32.6%	35.3%
One	35.1	37.0
Two	18.9	18.8
Three to five	12.1	8.5
Six or more	1.3	.3
Number of quarters worked, 1/80-3/81		
None	32.6%	35.3%
One	8.7	12.0
Two	16.4	12.5
Three	11.0	12.5
Four	25.7	25.1
Five	5.6	2.6

Source: UI Data Tape.

Appendix Table 4

HRD Participant Characteristics
Performance Years 1976-77, 1978-79, 1980-81

Characteristics	PY 1976-77	PY 1978-79	PY 1980-81
Male	24.7%	23.9%	26.8%
Female	75.3	76.1	73.2
Black	63.6%	59.6%	57.1%
White	34.9	38.2	41.2
Indian	1.2	1.5	0.9
Other	0.3	0.6	0.8
Household Head	39.7%	40.3%	42.9%
Receiving public assistance	38.6	29.1	39.1
In families receiving public assistance	52.2	40.5	49.2
Six years or less schooling	2.8%	2.7%	2.3%
7-9 years schooling	32.1	27.6	29.6
10-12 years schooling	63.3	66.1	65.2
Over 12 years schooling	1.8	3.6	3.0
Mean school years	10.1 years	10.4 years	10.3 years
18 years old or under	15.8%	16.8%	15.1%
19-21 years old	27.2	28.3	27.3
22-30 years old	35.8	34.6	35.7
31-40 years old	13.2	13.0	14.0
41-50 years old	5.9	4.9	5.4
Over 50 years old	2.2	2.4	2.4
Mean age	25.4 years	25.6 years	25.9 years
Individual 12-month pre-program earnings	\$ 943.74	\$1,191.79	\$1,179.04
Family 12-month pre-program earnings	3,142.30	3,500.29	3,436.86

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, and 1980-81.

Appendix Table 5
HRD Participation Records: All Participants
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77 (n = 5418)	PY 1978-79 (n = 5218)	PY 1980-81 (n = 4633)
Average number of days' participation	38.0 days	35.8 days	35.6 days
Average annual enrollment	92.5	111.0	100.7
Average share of time spent in:			
Orientation and motivation	57.7%	58.0%	58.4%
Basic education	40.1%	39.9%	40.1%
Skill training	4.6%	3.2%	1.4%
% students receiving stipends	90.8	77.1	68.6
Average weekly stipend	\$56.24	\$53.63	\$52.43
Exit status			
Job-placed, early leavers	10.2%	15.8%	12.0%
Job-placed completers	12.3	12.4	9.3
Training-placed completers	11.0	9.1	8.7
Other completers	43.4	42.5	47.2
Subtotal	76.9	79.8	77.2
Noncompleters	23.1	20.2	22.8
% receiving GED	7.9%	8.6%	11.1%

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 6
HRD Public Assistance Recipient Characteristics
Performance Years 1976-77, 1978-79, 1980-81

Characteristic	PY 1976-77 (n = 2091)	PY 1978-79 (n = 1518)	PY 1980-81 (n = 2279)
Male	10.7%	9.7%	13.0%
Female	89.3	90.3	87.0
Black	73.6%	67.8%	63.3%
White	25.5	29.5	34.8
Indian	0.9	1.9	1.0
Other	0.1	0.8	0.8
Household head	61.7%	63.1%	66.0%
Six years schooling or less	3.5%	4.1%	2.9%
7-9 years schooling	35.7	26.8	31.4
10-12 years schooling	59.2	65.2	63.5
Over 12 years schooling	1.6	3.9	2.2
Mean school years	9.9 years	10.3 years	10.2 years
18 years old or younger	7.6%	8.4%	6.2%
19-21 years old	20.6	22.6	20.2
22-30 years old	43.5	40.8	44.3
31-40 years old	18.5	20.1	19.2
41-50 years old	6.8	5.5	6.8
Over 50 years old	2.9	2.6	3.0
Mean age	27.3 years	27.6 years	28.1 years
Mean pre-program 12-month earnings			
Individual	\$ 980.23	\$ 1,257.95	\$ 1,147.20
Family	2,255.84	2,519.31	2,176.52
Mean pre-program 12-month public assistance			
Individual	\$ 2,633.23	\$ 2,302.88	\$ 1,877.30
Family	3,024.83	2,684.62	2,054.85

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 7
HRD Participation Records: Public Assistance Recipients
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77 (n = 2091)	PY 1978-79 (n = 1518)	PY 1980-81 (n = 2279)
Average number of days' participation	41.6 days	37.2 days	36.4 days
Average share of time spent in:			
Orientation and motivation	53.5%	57.0%	58.8%
Basic education	39.6	39.9	40.0
Skill training	6.9	3.1	1.2
% students receiving stipends	93.5%	76.2%	72.9%
Average weekly stipend	\$46.89	\$38.89	\$47.31
Exit status			
Job-placed, early leavers	8.5%	15.6%	11.4%
Job-placed completers	9.3	7.3	8.3
Training-placed completers	11.1	8.6	9.2
Other completers	43.2	43.8	47.9
Subtotal	72.1	75.3	76.8
Noncompleters	27.9	24.7	23.2
% receiving GED	7.5%	6.8%	9.4%

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 8
Participation by Public Assistance Recipients
Performance Year 1977-78 through 1980-81

	PY 77-78	PY 78-79	PY 79-80	PY 80-81
Total Enrollment	5306	5218	4720	4633
All public assistance recipients	NA	1520	1511	1812
% of total enrollment		29.1%	32.0%	39.1%
AFDC recipients	1050	925	879	1042
% of total enrollment	19.8%	17.7%	18.6%	22.5%
Food stamp recipients	1040	818	1050	1281
% of total enrollment	19.6%	15.7%	22.2%	27.6%
UI recipients	249	129	154	281
% of total enrollment	4.7%	2.7%	3.3%	6.1%

Source: HRD Program Data Tapes, PY 1978-79 - 1980-81; and HRD Performance Summaries, 1977-78, 1979-80.

Appendix Table 9
Post-Program Status of Public Assistance Recipients (Completers Only)
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77	PY 78-79	PY 80-81
All public assistance recipients	1508	1145	1392
% on public assistance after HRD	86.0%	74.9%	76.5%
AFDC recipients	701	713	798
% on public assistance after HRD	81.1%	59.7%	68.2%
Food stamp recipients	709	638	1027
% on public assistance after HRD	73.2%	56.0%	59.0%
UI recipients	274	118	243
% on public assistance after HRD	18.3%	12.7%	26.4%

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 10
HRD Participant Characteristics by Region
Performance Years 1976-77, 1978-79, 1980-81

Characteristic	PY 1976-77 (n = 5418)			PY 1978-79 (n = 5218)			PY 1980-81 (n = 4633)		
	Mountains	Piedmont	Coast	Mountains	Piedmont	Coast	Mountains	Piedmont	Coast
Male	31.7%	26.0%	18.7%	26.1%	26.3%	19.7%	31.8%	25.9%	24.0%
Female	68.3	74.0	81.3	73.9	73.7	80.3	68.2	74.1	76.0
Black	24.3%	67.9%	80.9%	23.4%	61.4%	82.4%	23.1%	58.6%	83.6%
White	75.2	31.0	16.8	75.2	36.8	14.5	76.0	39.3	14.5
Indian	0.4	0.7	2.3	1.1	0.6	2.9	0.4	0.6	1.8
Other	0.2	0.3	0.1	0.3	1.2	0.2	0.4	1.5	0.1
Household head	46.6%	42.6%	31.4%	40.9%	44.5%	35.0%	46.6%	43.1%	39.5%
Receiving public assistance	32.7	45.0	33.0	28.6	27.2	31.8	34.6	38.0	44.4
In family receiving public assistance	45.6	54.1	53.4	41.5	33.2	48.6	44.1	45.8	58.4
Six years schooling or less	4.3%	2.8%	2.0%	4.0%	2.4%	2.2%	3.2%	2.5%	1.1%
7-9 years schooling	40.1	32.3	26.9	37.2	28.8	19.3	38.1	29.7	22.1
10-12 years schooling	54.9	62.7	69.1	56.9	65.7	73.1	56.1	64.9	73.2
Over 12 years schooling	0.7	2.1	2.0	1.8	3.1	5.4	2.6	2.9	3.5
Mean years schooling	9.7 years	10.1 years	10.5 years	9.8 years	10.3 years	10.8 years	9.9 years	10.3 years	10.7 years
21 years old or younger	46.2%	40.1%	47.3%	48.6%	43.9%	43.7%	42.2%	43.1%	41.6%
22-35 years old	37.8	46.0	42.3	36.5	43.1	45.8	42.7	45.2	45.2
Over 35 years old	16.1	13.9	10.4	14.9	13.0	10.5	15.1	11.7	13.2
Mean age	25.8 years	25.8 years	24.6 years	25.4 years	25.9 years	25.4 years	26.3 years	25.6 years	26.0 years
Mean pre-program 12-month earnings									
Individual	\$ 1,353.09	\$ 1,101.56	\$ 1,227.11	\$ 1,628.28	\$ 1,486.97	\$ 1,344.51	\$ 1,335.47	\$ 1,177.86	\$ 1,048.94
Family	3,890.39	3,189.40	3,790.40	4,246.26	3,793.30	3,799.20	3,718.16	3,162.10	3,599.52

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 11

HRD Participation Records: All Participants by Region

Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77 (n=5418)			PY 1978-79 (n=5218)			PY 1980-81 (n=4633)		
	Mountains	Piedmont	Coast	Mountains	Piedmont	Coast	Mountains	Piedmont	Coast
Average number of days' participation	35.1 days	38.8 days	38.9 days	36.5 days	37.9 days	32.6 days	33.4 days	39.3 days	32.0 days
Average share of time spent in:									
Orientation & motivation	58.2%	56.9%	54.2%	55.1%	58.2%	59.7%	52.5%	61.5%	59.2%
Basic education	41.3%	36.4%	41.8%	44.8%	39.3%	34.0%	47.5%	36.7%	38.7%
Skills training	0.4%	6.6%	3.9%	0.0%	2.5%	6.4%	0.0%	1.8%	2.1%
% students receiving stipends	82.7%	93.5%	91.6%	84.7%	72.3%	77.5%	78.2%	68.8%	60.3%
Average weekly stipend	\$53.62	\$53.94	\$60.39	\$61.72	\$46.62	\$56.21	\$58.48	\$51.83	\$48.22
Exit status									
Job-placed, early leavers	11.4%	8.7%	11.7%	19.6%	16.0%	12.6%	11.5%	10.9%	13.9%
Job-placed completers	14.9%	12.9%	9.6%	15.9%	11.7%	10.8%	11.0%	8.5%	9.0%
Training-placed completers	21.8%	10.3%	4.6%	6.6%	11.4%	8.1%	11.2%	8.1%	7.3%
Other completers	34.6%	38.6%	56.8%	33.4%	36.7%	56.1%	40.4%	47.0%	53.2%
Subtotal	82.7%	70.5%	82.7%	75.5%	75.8%	87.6%	74.1%	74.5%	83.4%
Noncompleters	17.3%	29.5%	17.3%	24.5%	24.2%	12.4%	25.9%	25.5%	16.6%
% receiving GED	20.1%	2.9%	7.0%	14.6%	6.5%	6.9%	18.4%	9.5%	7.0%

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 12
Exit Status of Participants by Race
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
<u>Blacks</u>			
Job-placed completers	9.4%	9.4%	7.4%
Training-placed completers	7.4	9.4	6.2
Other completers, not placed	47.8	46.6	52.1
Early leavers, job-placed	9.2	14.5	12.1
Other terminations	35.4	20.1	22.2
	(n=2759)	(n=2652)	(n=2269)
<u>Whites</u>			
Job-placed completers	17.3%	17.0%	12.1%
Training-placed completers	17.1	8.4	12.1
Other completers, not placed	35.7	35.9	40.1
Early leavers, job-placed	12.1	17.9	12.0
Other terminations	17.8	20.8	23.7
	(n=1515)	(n=1747)	(n=1697)
<u>Others</u>			
Job-placed completers	11.7%	9.3%	1.6%
Training-placed completers	16.7	4.0	4.9
Other completers, not placed	55.0	60.0	65.6
Early leavers, job-placed	8.3	5.3	6.6
Other terminations	8.3	21.4	21.4
	(n=61)	(n=75)	(n=61)

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 13
Exit Status of Participants by Age
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
<u>Under 21 Years Old</u>			
Job-placed completers	12.4%	13.3%	9.7%
Training-placed completers	9.9	8.2	7.4
Other completers, not placed	42.6	40.8	47.2
Early leavers, job-placed	10.1	16.4	11.5
Other terminations	25.0	21.3	24.2
	(n=1520)	(n=2001)	(n=1698)
<u>21 to 35 Years Old</u>			
Job-placed completers	11.3%	11.4%	9.2%
Training-placed completers	11.2	9.3	9.0
Other completers, not placed	43.2	43.6	47.3
Early leavers, job-placed	10.7	16.3	12.7
Other terminations	23.6	19.4	21.8
	(n=1560)	(n=1940)	(n=1809)
<u>Over 35 Years Old</u>			
Job-placed completers	15.3%	13.0%	8.5%
Training-placed completers	13.7	11.2	11.7
Other completers, not placed	46.5	44.7	46.7
Early leavers, job-placed	9.1	11.6	11.2
Other terminations	15.4	19.5	21.9
	(n=505)	(n=570)	(n=520)

Source: HRD Performance Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 14
Exit Status of Participants by Sex
Performance Years 1976-77, 1978-79, 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
<u>Males</u>			
Job-placed completers	16.9%	15.3%	10.2%
Training-placed completers	12.0	10.5	10.8
Other completers, not placed	35.7	31.5	39.5
Early leavers, job-placed	14.7	19.9	14.7
Other terminations	20.7	22.8	24.8
	(n=903)	(n=1090)	(n=1058)
<u>Females</u>			
Job-placed completers	10.8%	11.5%	9.0%
Training-placed completers	10.7	8.6	7.9
Other completers, not placed	46.0	46.0	49.9
Early leavers, job-placed	8.7	14.4	11.0
Other terminations	23.8	19.5	22.2
	(n=2192)	(n=3421)	(n=2969)

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 15

Exit Status of Participants by Educational Level
Performance Years 1976-77, 1978-79, and 1980-81

	PY 1976-77	PY 1978-79	PY 1980-81
<u>High school dropouts</u>			
Job-placed completers	13.2%	13.6%	9.1%
Training-placed completers	8.6%	7.0%	7.9%
Other completers, not placed	41.0%	38.4%	45.7%
Early leavers, job-placed	9.9%	16.4%	10.4%
Other terminations	27.3%	24.6%	26.9%
	(n=2548)	(n=2827)	(n=2595)
<u>High school graduates</u>			
Job-placed completers	10.2%	10.5%	9.6%
Training-placed completers	16.9%	12.5%	10.0%
Other completers, not placed	49.4%	49.3%	49.8%
Early leavers, job-placed	11.1%	14.7%	14.8%
Other terminations	12.4%	13.0%	15.8%
	(n=1037)	(n=1684)	(n=1432)

Source: HRD Program Data Tapes, Performance Years 1976-77, 1978-79, 1980-81.

Appendix Table 16

Income Increases and Public Assistance Reductions
Performance Years 1976-77 through 1980-81

Performance Year	Income Increase	Public Assistance Reductions
1976-77	\$4,656,948	\$1,537,865
1977-78	6,962,155	1,971,119
1978-79	8,821,137	1,721,274
1979-80	7,990,482	1,345,087
1980-81	6,697,073	841,833
% Change since 1976-77	+43.8%	-45.3%

Source: HRD Performance Summary 1980-81.

Appendix Table 17

Additional Program Characteristics by EI Performance
Performance Year 1980-81

	Level of EI Performance		
	High (n=15)	Average (n=15)	Low (n=15)
% Black participants	57.6%	49.9%	58.2%
% Male participants	24.5	28.9	26.8
% Public assistance recipients	35.3	39.5	36.7
Average cycle length	7.0 weeks	7.8 weeks	7.6 weeks
Average share of staff time spent on:			
Assessment	28.2%	31.2%	33.2%
Instruction	30.4	32.1	33.9
Counseling	11.6	12.5	10.6
Placement	13.3	14.7	13.2
Follow-up	11.9	11.1	12.3
Average years on staff:			
Coordinator	4.9 years	5.1 years	4.7 years
Instructors	3.6	2.7	4.4
Job developer	2.0	2.4	3.4
Counselor	2.0	3.3	1.0
Number of programs with full-time job developer	9	7	7
Regional distribution -- number of programs from:			
Mountains	3	6	3
Piedmont	7	3	6
Coast	5	6	6

Source: HRD Performance Summary 1980-81.

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